

FUTURE OF WORK COMMISSION

Convening 6 Social Policy, Work, and Economic Security

February 13, 2020

**Most Modest Studio Space
Stockton, CA**



ABOUT THE INSTITUTE FOR THE FUTURE (IFTF) AND ITS ROLE

The [Institute for the Future \(IFTF\)](https://www.iftf.org) is working with the California Labor Secretary and larger State Team to coordinate the work of the Commission. IFTF draws on its over 50 years of research and experience in convening discussions of urgent future issues to support the efforts of the Commission to build a strong vision for the future of work in the state. IFTF has been a leading voice in discussions about the future of work for the past decade, seeking positive visions for a workforce undergoing transformational change. As a facilitator of the Commission's work, it will help guide the convenings, helping establish the comprehensive understanding necessary to build a world-class workforce of the future. IFTF will draw on the work of its Equitable Futures Lab to frame these discussions of future jobs, skills, and labor policy in terms of creating an equitable economy where everyone has access to the basic assets and opportunities they need to thrive in the 21st century.

ABOUT IFTF

Institute for the Future is the world's leading futures organization. For over 50 years, businesses, governments, and social impact organizations have depended upon IFTF global forecasts, custom research, and foresight training to navigate complex change and develop world-ready strategies. IFTF methodologies and toolsets yield coherent views of transformative possibilities across all sectors that together support a more sustainable future. Institute for the Future is a registered 501(c)(3) nonprofit organization based in Palo Alto, California. **www.iftf.org**

The work of this Commission is supported in part by The James Irvine Foundation, the Ford Foundation, the Lumina Foundation, and Blue Shield of California Foundation.

For more information on the California Future of Work Commission, please contact

Anmol Chaddha | achaddha@iftf.org

*All materials printed in house at IFTF

CONTENTS



4	Schedule of Convenings
5	Overview of Convening 6: Social Policy, Work, and Economic Security
8	Design Principles
9	Agenda
10	Panelists
12	Commissioners
18	Supplemental Materials

SCHEDULE OF CONVENINGS

- 1 | **September 10-11, 2019**
Overview: The Present and Future State of Work in California
Location: Sacramento
- 2 | **October 10, 2019**
Technological Change and Its Impact on Work
Location: Palo Alto
- 3 | **November 14, 2019**
Education, Skills, and Job Quality
Location: Riverside
- 4 | **December 12, 2019**
Low-Wage Work and Economic Equity
Location: Los Angeles
- 5 | **January 16, 2020**
Employment and Labor Law in the New Economy
Location: San Diego
- 6 | **February 13, 2020**
Social Policy, Work, and Economic Security
Location: Stockton
- 7 | **March 12, 2020**
Investors, Capital, and the Future of Work
Location: San Francisco
- 8 | **April 2, 2020**
Synthesis
Location: Sacramento

SOCIAL POLICY, WORK, AND ECONOMIC SECURITY

Social policy is an essential tool of government to ensure basic well-being through such programs as food assistance, income support, housing, education, child care assistance, energy and utilities subsidies, and assistance for other basic services. Social policy also plays an important role in protecting people from the risks inherent in a market economy. Unemployment insurance and social security, for example, were developed to ensure basic livelihood in the event of job loss or for those who could not otherwise rely on the labor market for an adequate income (i.e. because of age or disability).

Famously functioning as “laboratories of democracy,” state governments in the U.S. have considerable autonomy in designing and administering social programs. California has led other states in developing and adopting work-related social policies, such as paid family leave. California can continue to innovate social policy solutions to address important challenges that may accompany the changing nature of work. To this end, the executive order establishing the Future of Work Commission directs this Commission to “identify ways to modernize the social compact, between the government, the private sectors and workers to ensure that all workers have access to a social safety net for our changing economy.”

While the aims of social policy have traditionally been the domain of government, new business structures point to alternative approaches to the shared responsibility of collective well-being between government and the private sector. “For-benefit” firms and certified B Corporations are promising models through which social benefits could be pursued through private sector companies.

The U.S. has a weaker social safety net than other advanced industrialized countries. Social expenditures in the U.S. are a [smaller share of GDP than the average in other OECD countries](#). Social spending on programs such as income assistance, housing, unemployment compensation, early childhood education and other forms of social assistance (excluding health expenditures) has

been declining in the U.S. in recent decades (as a share of GDP), while income inequality has steadily increased over this period. Access to social assistance has also become more restrictive by adding conditions (e.g. work requirements) to the receipt of means-tested social assistance.

Social transfers and tax policy are the two principal government mechanisms for reducing income inequality. [Both have become less redistributive since the 1970s](#), according to an analysis by the Congressional Budget Office. Federal tax policy has become less progressive, as tax rates have declined at the highest tax brackets. A declining share of transfer payments are directed to households at the bottom of the income scale. For example, the rapid growth in Medicare, which is not means-tested, has increased government transfers to middle- and upper-income households, while spending on cash assistance for poor families has declined. The share of federal transfer payments received by the lowest-income quintile dropped from 54 percent in 1979 to 36 percent in 2007. Taken together, government transfers and tax policy now have a smaller equalizing effect on income inequality than before.

The proliferation of low-wage jobs has significant public costs, as many low-wage workers have incomes that make them eligible for social assistance programs. Half of California state expenditures on Medicaid/CHIP and

SOCIAL POLICY, WORK, AND ECONOMIC SECURITY

Temporary Assistance for Needy Families (TANF) goes to recipients in working families. [A study of state expenditures on social programs](#) estimated that just over half of CA state expenditures on Medicaid/CHIP and TANF went to recipients in working families. Across the U.S., 52% of state expenditures on these programs were for recipients in working families.

As traditional employment arrangements have eroded in recent decades, fewer workers access important benefits like health insurance through their employers.

Across the U.S., [58 percent of the nonelderly population was covered by employer-sponsored health insurance](#) in 2017, down from 67 percent in 1999. [Less than half of private-sector employers in California \(47.2 percent\) offered health insurance to workers](#) in 2018, down from 51.3 percent in 2012. Some experts propose that [benefits should become portable with workers](#) as they change jobs or work for multiple employers.

California can innovate and modernize its social safety net in important ways. The state was one of the first to implement paid family leave in the U.S., though family and parental leave policies continue to trail those of other countries. The social value of early childhood development and support for working parents could be institutionalized through [universal pre-kindergarten](#) and [expansive child care](#) policy. An aging population will unambiguously create greater need for elder care and financial demands on working adults, which could be supported through innovative social policy on elder care.

Beyond government policy, private firms can be structured to pursue social benefits rather than a singular focus on profits. A “benefit corporation” is a legal classification for mission-driven, for-profit corporate entities whose legally defined goals include positive social impacts for workers, the community, and the environment. Benefit corporations are required to publicly release annual reports of their social and environmental performance. The growth of “for-benefit” enterprises in California since the state implemented this classification in 2012 points to possibilities for an updated role for employers in a new social compact in California.

ABOUT THE CONVENING

The sixth convening of the Future of Work Commission takes place in a former Ford dealership in Stockton, California. In line with the focus of this convening on social policy, the City of Stockton has garnered national attention for its innovative approaches to developing new social policy responses to promoting economic security, including an experimental pilot of a guaranteed income program. The Commission will hear from external experts in the morning, and the afternoon will be dedicated to substantive discussion among Commissioners.

The convening will begin with a welcome and opening comments from Stockton Mayor Michael Tubbs, a nationally recognized leader in local social policy innovations. A conversation with two policy experts will focus on proposed social policy innovations that could be implemented in California. Palak Shah (National Domestic Workers Alliance) has pioneered several initiatives that consider how technological developments can create opportunities to address problems of low-wage work and economic insecurity. She led the development and deployment of [Alia](#), an online platform through which domestic work employers could contribute to accounts for domestic workers to access employment benefits. Josephine Kalipeni (Caring Across Generations) will discuss proposals for ‘universal family care,’ an emerging policy idea that would combine child care, family medical leave, and elder care, as a way to address the complex, intertwined challenges of an aging population, greater need for care work, and the unaffordability of family care for many workers.

Building on sessions at previous convenings with small businesses and large corporations, the Commission will have a conversation with Heerad Sabeti (Fourth Sector Group) and Holly Ensign-Barstow (B Lab) about the for-benefit business structure and how California can support private firms that are committed to pursuing social benefits. In the afternoon, the Commission will continue its work on developing proposed solutions to the challenges it has collectively articulated.

SOME QUESTIONS TO CONSIDER

1. What areas of social policy need to be modernized and updated in California in order to effectively serve the basic functions of a social safety net?
2. What are compelling ideas for new social policy solutions to the unique or emerging challenges that accompany the changing nature of work?
3. What strategies or policies could encourage private firms to structure themselves as for-benefit corporations to pursue a broader set of social benefits? How can California support for-benefit enterprises in effectively achieving their social goals?

SELECTED RESOURCES

[California's Future: Safety Net](#). Public Policy Institute of California. January 2020.

Pamela Loprest and Demetra Nighthingale. [The Nature of Work and the Social Safety Net](#). Urban Institute. 2018.

Libby Reder, Shelly Steward, and Natalie Foster. [Designing Portable Benefits: A Resource Guide for Policymakers](#). Aspen Institute Future of Work Initiative. 2019.

Sarah Holder. ["In Stockton, Early Clues Emerge About Impact of Guaranteed Income."](#) *CityLab*. October 3, 2019.

DESIGN PRINCIPLES

The Commission collectively developed the following design principles to create and evaluate recommendations.

Bold: nothing should be excluded on the basis of political feasibility

Forward-Facing: let's not solve for the last war

Work-Adjacent: include work plus housing, transportation, living

Context-Sensitive: take into account implications across gender, race, age, geography

Coalition-Building: bring together multiple stakeholders

Portfolio-Based: easy/fast to hard/long-term

Scalable: achieve high impact

Agile and Iterative: can be prototyped and adapted as needed

Measurable: identify clear areas of potential impact

Actionable and Practical: grounded in real-world solutions that can be implemented

THURSDAY, FEBRUARY 13, 2020

9:30am Arrive

12:20pm Lunch

10:00am Welcome/Opening

Michael Tubbs, Mayor of Stockton

1:00pm Commissioner Discussion

*Facilitated by **Lyn Jeffery**, Institute for the Future*

10:20am Social Policy Innovations: Upgrading the Social Compact in California

Palak Shah, Social Innovations Director,
National Domestic Workers Alliance;
Founding Director, NDWA Labs

Josephine Kalipeni, Director of Policy and
Federal Affairs, Caring Across Generations

*Moderated by **Julie Su**, Secretary, Labor
and Workforce Development Agency*

4:30pm Public Comment

NOTE: The Commission may not discuss or take action on any matter raised during the public comment session, except to decide whether to place the matter on the agenda of a future meeting (Government Code sections 11125, 1125.7(a)).

5:00pm Adjourn

11:20am Doing Business Better: Profit and Purpose

Heerad Sabeti, Co-Founder & CEO,
Fourth Sector Group

Holly Ensign-Barstow, Director of Stakeholder
Governance and Policy, B Lab

*Moderated by **Lenny Mendonca**, Chief
Economic and Business Advisor; Director,
Governor's Office of Business and Economic
Development*

PANELISTS

WELCOME AND OPENING



MICHAEL TUBBS

Mayor, City of Stockton
@michaeltubbs

Upon taking office in January 2017, Michael Tubbs became both Stockton's youngest mayor and the city's first African-American mayor. Michael Tubbs is also the youngest mayor in the history of the country representing a city with a population of over 100,000 residents. Mayor Michael Tubbs has secured over \$20 million in philanthropic capital to launch the Stockton Scholars, a place-based scholarship that aims to triple the number of Stockton students entering and graduating from college. Mayor Tubbs also brought Advance Peace to Stockton, a data-driven program that works to reduce gun violence in communities. Additionally, with an innovative public-private partnership supported by a \$1,000,000 seed grant from the Economic Security Project, Tubbs launched the nation's first municipal level basic income pilot, the Stockton Economic Empowerment Demonstration.

Before becoming mayor, Michael Tubbs served as Stockton's District 6 City Councilmember. Elected at age 22 in 2013, he became one of the youngest City Councilmembers in the country. As a councilmember, Tubbs created the Reinvent South Stockton Coalition, championed the creation of the City's Office of Violence Prevention and was part of the council that led the city out of bankruptcy as Chair of the Audit and Legislative Committee. Mayor Tubbs graduated in 2012 from Stanford University with a Bachelor's and Master's degree with honors. Michael is a Stockton native and product of Stockton public schools.

SOCIAL POLICY INNOVATIONS: UPGRADING THE SOCIAL COMPACT IN CALIFORNIA



PALAK SHAH

Social Innovations Director
National Domestic Workers Alliance
Founding Director
NDWA Labs
@palaknshah

Palak Shah is the Social Innovations Director of the National Domestic Workers Alliance and the Founding Director of NDWA Labs, the innovation arm of the domestic worker movement. Palak is a leader in the movement for workers' rights in the new economy, a thought leader on the future of work, and a social entrepreneur. Her groundbreaking work wrestles with the ways in which technology continues to disrupt entire systems, including the way we access work and our livelihoods, and how it can be harnessed for the benefit of workers, placing them at the center of innovation and change. She leads national strategy on engaging private sector companies entering the domestic work industry and organizing workers who are increasingly migrating online to find employment. In 2015, she founded NDWA Labs to experiment with new ways to use technology products to improve job access and job quality for these workers. In 2018, NDWA Labs launched Alia, the nation's first portable benefits platform that finally expands the social safety net to independent workers, starting with domestic workers. She currently serves on the Advisory Council for the Institute for the Cooperative Digital Economy, as well as the Institute for the Future's Equitable Futures Lab. She is currently a Beck Visiting Social Innovator at the Harvard Kennedy School where she is leading an effort to develop a 21st century policy framework to address the privatization and digitization of the labor markets. Previously, she has served as an advisor for Blue Ridge Labs and a Board Member of Carina Care and in 2017, Palak was awarded an Aspen Institute Job Quality Fellowship.



JOSEPHINE KALIPENI

Director of Policy and Federal Affairs
Caring Across Generations

Josephine Kalipeni has worked with organizations like the NAACP, Illinois Black Chamber of Commerce, and

Progressive Action for the Common Good. Her expertise includes grassroots and faith organizing, issues campaign development, and equity policy in health, education, and international affairs. With an eye toward race, gender, and economic equity, Josephine has provided technical and policy assistance to state organizations working to develop policy solutions and advocacy campaigns. She initially worked in family crisis case management and social work, assisting families navigating various public systems, seeing firsthand the gaps in safety-net programs. Josephine has worked to increase health access through public social policy, with a focus on Medicaid and the Affordable Care Act. Josephine holds a Bachelor of Arts degree in sociology with a concentration in political science and religious studies from the University of Illinois, a Mental Health Professional (MHP) certificate, and a Masters in Social Justice and Community Development with an expertise in global policy from Loyola University in Chicago.

DOING BUSINESS BETTER: PROFIT AND PURPOSE



HEERAD SABETI

Co-Founder & CEO
Fourth Sector Group

As a serial entrepreneur and systems thinker, Heerad Sabeti is devoted to pursuing systemic solutions to complex

social, environmental and economic challenges. He is co-founder and CEO of The Fourth Sector Group (4SG), a multi-stakeholder, collaborative platform dedicated to accelerating the growth of the fourth sector globally. The fourth sector—emerging at the intersection of the public, private and social sectors—is comprised of for-benefit enterprises that seek to seamlessly integrate public purposes with business means, harnessing entrepreneurial energy to shape more sustainable, inclusive, and resilient economies. For over 25 years, Sabeti has been a driving force behind numerous national and international initiatives aimed at accelerating the fourth sector's development.

He co-founded The B Team, a platform of global business leaders and experts dedicated to the vision of a world in which the purpose of business is to drive social, environmental and economic benefit. He has served as an advisor to governments, corporations and NGOs on cross-sector partnerships, sustainable economic development, and leveraging entrepreneurship and innovation to address societal challenges. Sabeti serves or has served on advisory bodies for a number of entities including the Aspen Institute's Intersectoral Relations Initiative, the Clinton Global Initiative, Center for International Business Education and Research at Duke University's Fuqua School of Business, among others.



HOLLY ENSIGN-BARSTOW

Director of Stakeholder Governance and Policy
B Lab

Holly Ensign-Barstow is the Director of Stakeholder Governance and Policy for B Lab, a nonprofit that serves a global

movement of people using business as a force for good. B Lab's initiatives include B Corp Certification, the B Impact Assessment, and advocacy for governance structures like the benefit corporation and other policy initiatives that upend shareholder primacy. As the Director of Stakeholder Governance and Policy, Holly aims to make a new legal tool, the benefit corporation, available to entrepreneurs across the world and to create a policy and regulatory environment that enables a seismic shift in business. As of 2020, Holly has been instrumental in the adoption of benefit corporation statutes in 37 US jurisdictions and four other countries including Colombia, Italy, Canada and Ecuador. Holly earned her Bachelor of Arts in Urban Studies from Barnard College, Columbia University and a Master of International Affairs from the School of International and Public Affairs at Columbia University. Holly was also instrumental in the development of the New York City Mayor's Office of Long-Term Planning and Sustainability, where she worked to enact planNYC and many other sustainability initiatives.

COMMISSIONERS



ROY BAHAT

Venture Capitalist
Bloomberg Beta
@roybahat

Roy Bahat invests in the future of work as a venture capitalist, with a focus on machine intelligence. Prior to his life as a VC, Bahat founded start-ups, served as a corporate executive at News Corp., and worked in government in the office of New York City mayor Michael Bloomberg. As the head of Bloomberg Beta, an investment firm with 150 million dollars under management, Bahat and his team have invested in areas like automation, data, robotics, media, productivity tools, and many others. Fast Company named Bahat one of the Most Creative People in Business and noted “Bahat is a natural innovator ... one of the most candid people you’ll ever meet (check out his LinkedIn profile).” He organized “Comeback Cities,” where he leads groups of venture capitalists and members of Congress on bus tours to find the untapped beds of talent and entrepreneurship in America. He also co-chaired the Shift Commission on Work, Workers, and Technology, a partnership between Bloomberg and think-tank New America to look at automation and the future of work 10 to 20 years from now.



DOUG BLOCH

Political Director
Teamsters Joint Council 7
@TeamsterDoug

Doug Bloch has been political director at Teamsters Joint Council 7 since 2010.

In this capacity, he works with over 100,000 Teamsters in Northern California, the Central Valley, and Northern Nevada in a variety of industries. He was the Port of Oakland campaign director for Change to Win from 2006 to 2010 and a senior research analyst at Service Employees International Union Local 1877 from 2004 to 2006. Mr. Bloch was statewide political director at the California Association of Community Organization for Reform Now (ACORN) from 2003 to 2004 and ran several ACORN regional offices, including Seattle and Oakland, from 1999 to 2003. He was an organizer at the Non-Governmental Organization Coordinating Committee for Northeast Thailand from 1999 to 2003.



DR. SORAYA M. COLEY

President
Cal Poly Pomona
@PresColeyCPP

Dr. Soraya M. Coley, a veteran administrator with more than 20 years of experience in higher education, became the sixth president of Cal Poly Pomona in January 2015. Coley transitioned to Cal Poly Pomona from Cal State Bakersfield, where she was the provost and vice president for academic affairs from 2005 to 2014. She also served as interim vice president for university advancement in 2011–12. Her experience includes serving as Cal State Fullerton’s dean of the College of Human Development and Community Service, as administrative fellow, and professor and department chair for the human services department. She was the system-wide provost and vice president for academic affairs at Alliant International University, from 2001 to 2003. Coley earned a bachelor’s in sociology from Lincoln University, a master’s in social planning and social research from Bryn Mawr, and a doctoral degree in social planning and policy from Bryn Mawr. She is married to Ron Coley, Lt. Col. (Ret.) USMC, who after his military service, enjoyed a distinguished career in public service and higher education administration, including six years as Senior County Administrator in Orange County, California, and multiple senior positions at the University of California.



LLOYD DEAN

Chief Executive Officer
CommonSpirit Health
@LloydHDean

Lloyd Dean is chief executive officer of CommonSpirit Health, a newly created national health care system formed by Dignity Health and Catholic Health Initiatives. He is co-chair of the California Future Health Workforce Commission, chair of the Board of Directors for the Committee on Jobs in San Francisco, and a member of the McDonald’s Board of Directors. Dean holds degrees in sociology and education from Western Michigan University and received an honorary Doctor of Humane Letters degree from the University of San Francisco. A strong advocate for health care reform, he has been actively engaged with President Obama and the White House Cabinet on healthcare issues.



JENNIFER GRANHOLM

Former Governor
State of Michigan
@JenGranholm

Jennifer Granholm served two terms as Michigan's 47th governor from 2003 to 2011, and was the Michigan Attorney General from 1998-2002. As Governor, Granholm led the state through a brutal economic downturn that resulted from the Great Recession and a meltdown in the automotive and manufacturing sectors. She worked relentlessly to diversify the state's economy, strengthen its auto industry, preserve the manufacturing sector, and add new, emerging sectors, such as clean energy, to Michigan's economic portfolio. After leaving office, Granholm served as an advisor to Pew Charitable Trusts' Clean Energy Program, where she led a national campaign for clean energy policies. She also hosted Current TV's political news analysis show "The War Room with Jennifer Granholm" and co-authored *A Governor's Story: The Fight for Jobs and America's Economic Future*, which tells how Michigan pioneered ways out of an economic storm and offers proven advice for a nation desperate to create jobs. Currently, Granholm is a contributor to CNN, a Senior Advisor to the progressive political groups Media Matters and American Bridge, is head of the sustainability practice at Ridge-Lane, and sits on numerous private sector and non-profit boards.



LANCE HASTINGS

President
California Manufacturers & Technology Association
@lance_hastings

Hastings has held several leadership roles at MillerCoors the past 15 years. He served most recently as Vice President of National Affairs for MillerCoors. Prior to that he served as Head of Regulatory & Tax Affairs for SABMiller. He also represented Miller Brewing Company and MillerCoors in Sacramento as Director of State Government Affairs, where he served on CMTA's Board of Directors. Before his long career as a manufacturing executive Hastings was the Vice President and Director of Government Relations from 1998 to 2003 at the California Grocers Association. Hastings also worked in the California State Legislature for almost a decade as a chief consultant, starting in 1989. Hastings has a Bachelors of Arts in Economics and a Minor in Government from California State University at Sacramento.



MARY KAY HENRY, CO-CHAIR

International President
Service Employees International Union (SEIU)
@MaryKayHenry

Mary Kay Henry is International President of the 2 million-member Service Employees International Union (SEIU), and her leadership is rooted in a deep-seated belief that when individuals join together they can make the impossible possible. Under her leadership, SEIU has won major victories to improve working families' lives by strengthening and uniting healthcare, property services, and public sector workers with other working people across the United States, Canada and Puerto Rico. In 2010, Mary Kay Henry became the first woman elected to lead SEIU, after more than 30 years of helping unite healthcare workers. By 2015, she was named one of the 100 most creative leaders by Fast Company magazine and was included in the top 50 visionaries reshaping American politics by Politico magazine for SEIU's innovative leadership in propelling the fight for living wages embodied in the historic movement known as the "Fight for \$15." Henry believes that to better fulfill the promise of a just society America has always aspired to be, we must fight for justice on all fronts including defending the gains accomplished for access to affordable healthcare for all families under the Affordable Care Act, comprehensive immigration reform and a path to citizenship for all hardworking immigrant families, and safety and justice in all communities of color across the country.

COMMISSIONERS



CARLA JAVITS

President & CEO
Roberts Enterprise Development Fund (REDF)
@cjavitsredf

Carla Javits is President and CEO of REDF (The Roberts Enterprise Development Fund), a pioneering venture philanthropy galvanizing a national movement of social enterprises—purpose-driven, revenue-generating businesses that help people striving to overcome employment barriers get good jobs, keep those jobs, and build better lives. Through her stewardship, REDF has invested in 183 social enterprises in 26 states. These businesses have generated \$755 million in revenue and employed 37,700 people—and counting. REDF's goal is to see 50,000 people employed by 2020, contributing their skills and talents to our communities and helping to build a stronger, more inclusive society.



SARU JAYARAMAN

President
ROC United & ROC Action
Director
Food Labor Research Center
@SaruJayaraman

Saru is the President of One Fair Wage, Co-Founder of the Restaurant Opportunities Centers United (ROC United), and Director of the Food Labor Research Center at the University of California, Berkeley. Saru is a graduate of Yale Law School and the Harvard Kennedy School of Government. She was profiled in the New York Times "Public Lives" section in 2005, named one of Crain's "40 Under 40" in 2008, was 1010 Wins' "Newsmaker of the Year" and New York Magazine's "Influentials" of New York City. She was listed in CNN's "Top10 Visionary Women" and recognized as a Champion of Change by the White House in 2014, and a James Beard Foundation Leadership Award in 2015. Saru authored *Behind the Kitchen Door* (2013), a national bestseller, and has appeared on CNN with Soledad O'Brien, Bill Moyers Journal on PBS, Melissa Harris Perry and UP with Chris Hayes on MSNBC, Real Time with Bill Maher on HBO, the Today Show, and NBC Nightly News with Brian Williams. Her most recent book is *Forked: A New Standard for American Dining* (2016). In 2019, she was named the San Francisco Chronicle Visionary of the Year.



TOM KALIL

Chief Innovation Officer
Schmidt Futures

Tom Kalil has been Chief Innovation Officer at Schmidt Futures since 2017. He was deputy director of the White House Office of Science and Technology Policy for President Obama from 2009 to 2017. Kalil was special assistant to the Chancellor for Science and Technology at the University of California, Berkeley from 2001 to 2008 and was chair of the Global Health Working Group for the Clinton Global Initiative in 2007 and 2008. He also served on the White House National Economic Council from 1993 to 2001 and from 2000 to 2001, was deputy assistant to President Clinton for technology and economic policy.



ASH KALRA

Assemblymember
California Assembly District 27
@Ash_Kalra

Assemblymember Ash Kalra was elected to represent the 27th California State Assembly District in 2016, and was appointed Chair of the Assembly Committee on Labor and Employment and sits on the Aging and Long Term Care, Education, Judiciary, Water, Parks, and Wildfire committees. Assemblymember Kalra has established himself as a leader on issues ranging from the environment and conservation, to criminal justice reform, health care sustainability, housing affordability, growing our transportation infrastructure, and expanding economic opportunity to all Californians. Previously, Kalra served as a San Jose City Councilmember, and as a deputy public defender in Santa Clara County. Kalra earned a Juris Doctor degree from the Georgetown University Law Center and is the first Indian-American to serve in the California Legislature.



STEPHANE KASRIEL

Chief Executive Officer

Upwork
@skasriel

Stephane Kasriel has been Chief Executive Officer of Upwork Inc. since

2015, after being Vice President of product at Upwork's predecessor company oDesk, and subsequently Senior Vice President of Product and Engineering from 2012 to 2015. He held multiple positions at PayPal from 2004 to 2010, including Managing Director for PayPal France, Global Head of Consumer Products and Global Head of Mobile Business Development. Kasriel serves as co-chair for the World Economic Forum's Council on the New Social Contract and previously served as Co-chair for the World Economic Forum's Council on Education, Gender and Work. Kasriel earned a Master of Business Administration degree from Institut Européen d'Administration des Affaires (INSEAD) and a Master of Science degree in computer science from Stanford University.



FEI-FEI LI

Co-Director and Professor
Human-Centered AI Institute,
Stanford University
@drfeifei

Dr. Fei-Fei Li is the inaugural Sequoia Professor in the Computer Science Department at Stanford University, and Co-Director of Stanford's Human-Centered AI Institute. She served as the Director of Stanford's AI Lab from 2013 to 2018. During her sabbatical from Stanford from January 2017 to September 2018, she was Vice President at Google and served as Chief Scientist of AI/ML at Google Cloud. Dr. Fei-Fei Li's main research areas are in machine learning, deep learning, computer vision and cognitive and computational neuroscience. She has published nearly 200 scientific articles in top-tier journals and conferences, including *Nature*, *PNAS*, *Journal of Neuroscience*, *CVPR*, *ICCV*, *NIPS*, *ECCV*, *ICRA*, *IROS*, *RSS*, *IJCV*, *IEEE-PAMI*, *New England Journal of Medicine*, etc. Dr. Li is the inventor of ImageNet and the ImageNet Challenge, a critical large-scale dataset and benchmarking effort that has contributed to the latest developments in deep learning and AI. In addition to her technical contributions, she is a national leading voice for advocating diversity in STEM and AI. She is co-founder and chairperson of the national non-profit AI4ALL aimed at increasing inclusion and diversity in AI education.



JAMES MANYIKA, CO-CHAIR

Senior Partner

McKinsey & Company

James Manyika is Senior Partner at McKinsey and Company and Director of the McKinsey Global Institute. He was

appointed by President Obama as Vice Chair of the Global Development Council at the White House (2012–present), and by US secretaries of commerce to the Digital Economy Board of Advisors (2016) and the National Innovation Advisory Board (2011). He serves on several other boards, including the Council on Foreign Relations, Aspen Institute, and John D. and Catherine T. MacArthur Foundation. He is a non-resident Senior Fellow of Brookings Institution and a Fellow of DeepMind and the Royal Society of Arts. A Rhodes Scholar, he holds a BSc in Electrical Engineering from University of Zimbabwe, and an MSc, MA and DPhil from Oxford University in Robotics, Computation.



JOHN MARSHALL

Senior Capital Markets Analyst

United Food and
Commercial Workers

John Marshall is a Senior Capital Markets Analyst with the United Food

and Commercial Workers' (UFCW) Capital Stewardship Program. At the UFCW, Marshall conducts financial research on public and private companies and works closely with investors and analysts on corporate governance matters. For the past two years, Marshall has been the UFCW staff liaison to the AFL-CIO's Commission on the Future of Work and Unions. Marshall graduated from the University of California at Santa Cruz with a degree in American Studies, received his MBA from the UCLA Anderson School of Management and is a holder of the Chartered Financial Analyst (CFA) designation. Prior to joining the UFCW, Marshall was Research Director for the SEIU Capital Stewardship Program. He has also held positions at Ullico, Inc., SEIU Local 250, and UNITE HERE Local 2.

COMMISSIONERS



ART PULASKI

Executive Secretary-Treasurer
and Chief Officer
California Labor Federation
@ArtPulaski

Art Pulaski is the Executive Secretary-Treasurer and Chief Officer of the California Labor Federation. Since his election in 1996, Pulaski has reinvigorated grassroots activism in unions and championed support for new organizing. Under Pulaski's leadership, the California Labor Federation's achievements have included restoring daily overtime pay, raising the minimum wage, increasing benefits for injured and unemployed workers, creating collective bargaining opportunities for hundreds of thousands of public sector workers, and passing the nation's first comprehensive Paid Family Leave law. In 2010, the Federation led the successful campaign to ensure every California Democrat in Congress voted in favor of the landmark federal health care reform legislation. Pulaski has led the California labor movement in new strategies of political action and economic development. Since he took office at the California Labor Federation in 1996 the labor group has more than doubled in size.

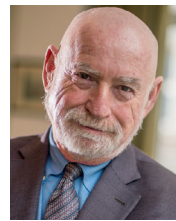


MARIA S. SALINAS

President & CEO
**Los Angeles Area Chamber
of Commerce**
@salinas_ms

Maria S. Salinas is the President & CEO of the Los Angeles Area Chamber of Commerce, the largest business association in Los Angeles County representing more than 1,600-member companies and serving the interests of more than 235,000 businesses across the Los Angeles region. Ms. Salinas took the helm of the organization in August of 2018 and became the first woman and Latina to lead the L.A. Area Chamber in its 130 year history. An accomplished business woman, entrepreneur, and a stalwart community leader, Ms. Salinas' business acumen and financial expertise provides her with the right experience to lead the Chamber. Ms. Salinas is a graduate of Loyola Marymount University (LMU), earning a Bachelor of Science in Accounting in 1987. She is currently Chair of the Board of Regents and member of the Board of Trustees

at LMU, Board Chair of UnidosUS, and member of the founding Board of Directors of Kaiser Permanente School of Medicine. Over the years, she has served numerous esteemed civic and nonprofit organizations and has been recognized for her leadership and community service. Ms. Salinas lives in Pasadena, California, with her husband Raul, a prominent Los Angeles attorney, and their four sons.



PETER SCHWARTZ

Senior Vice President
of Strategic Planning
Salesforce
@peterschwartz2

Peter Schwartz is an internationally renowned futurist and business strategist, specializing in scenario planning and working with corporations, governments, and institutions to create alternative perspectives of the future and develop robust strategies for a changing and uncertain world. As Senior Vice President of Strategic Planning for Salesforce, he manages the organization's ongoing strategic conversation. Peter leads the Salesforce Futures LAB—a collaboration between strategic thinkers at Salesforce and its customers around provocative ideas on the future of business. Prior to joining Salesforce, Peter was co-founder and chairman of Global Business Network. He is the author of several works. His first book, *The Art of the Long View*, is considered a seminal publication on scenario planning. Peter has also served as a script consultant on the films "The Minority Report," "Deep Impact," "Sneakers," and "War Games." He received a B.S. in aeronautical engineering and astronautics from Rensselaer Polytechnic Institute in New York.



HENRY STERN

State Senator
California Senate District 27
@HenrySternCA

Senator Henry Stern was elected to represent the 27th California State Senate District in 2016. He chairs the Senate Natural Resources and Water Committee and formerly chaired the Elections and Constitutional Amendments Committee. Senator Henry Stern is a sixth-generation Californian and native of this district. He is a former environmental lawyer, lecturer, senior policy advisor and civics teacher. Senator Stern has lectured at UCLA and UC Berkeley, enjoys volunteering at his local Boys & Girls Club and is a member of the Santa Monica Mountains Conservancy Advisory Committee, the Jewish Federation, the American Jewish Committee, and the Truman National Security Project. He earned a Juris Doctor degree from the University of California, Berkeley School of Law.



MARIANA VITURRO

Deputy Director
National Domestic Workers Alliance (NDWA)

Mariana Viturro is the Deputy Director at the National Domestic Workers Alliance (NDWA), the leading organization working to build power, respect, and fair labor standards for the estimated two million nannies, housekeepers, and elderly caregivers in the United States. She started organizing in the San Francisco Bay Area in 1998. Mariana has been organizing with immigrant communities and communities of color for the last 15 years. Prior to NDWA, as the Co-director of St. Peter's Housing Committee, Mariana guided a programmatic transition from service provision to organizing and then facilitated the organizational merger with a sister organization resulting in the creation of Causa Justa::Just Cause. Since March 2011, she has used her strong operational and organizing skills and a commitment to creating a culture of support and accountability to NDWA.



BETTY T. YEE

Controller
State of California
@BettyYeeforCA

State Controller Betty T. Yee was elected in 2014, following two terms on the California Board of Equalization. Reelected as Controller in 2018, Ms. Yee is the 10th woman in California history to be elected to statewide office. As the state's chief fiscal officer, Ms. Yee chairs the Franchise Tax Board and is a member of the California Public Employees' Retirement System (CalPERS) and the California State Teachers' Retirement System (CalSTRS) Boards. These two boards have a combined portfolio of more than \$570 billion. Ms. Yee also serves on the Ceres Board of Directors, a nonprofit working to mobilize many of the world's largest investors to advance global sustainability and take stronger action on climate change. Ms. Yee has more than 35 years of experience in public service, specializing in state and local finance and tax policy. Ms. Yee previously served with the California Department of Finance where she led the development of the Governor's Budget, negotiations with the Legislature and key budget stakeholders, and fiscal analyses of legislation. She previously served in senior staff positions for several fiscal and policy committees in both houses of the California State Legislature. Ms. Yee received her BA in sociology from the University of California, Berkeley, and holds a master's degree in public administration.

SUPPLEMENTAL MATERIALS

PALAK SHAH

Social Innovations Director

National Domestic Workers Alliance

Founding Director

NDWA Labs

[“This new service gives domestic workers a way to get benefits and paid time off.”](#)

Fast Company. December, 11, 2019.

[“Domestic Workers Turn Investors: Announcing New Venture to Improve the Future of Work.”](#)

Forbes. September 27, 2019.

[“Paid time off for Uber drivers? How a Philly plan could be a model for millions of gig workers.”](#)

The Philadelphia Inquirer. November, 6, 2019.

[“The Future of Work: Out of the Shadows.”](#) *The New York Times Magazine*. February 21, 2019.

[Domestic Workers Bill: A Model for Tomorrow’s Workforce](#). The Century Foundation in partnership with the National Domestic Workers Alliance. December 17, 2019.

JOSEPHINE KALIPENI

Director of Policy and Federal Affairs

Caring Across Generations

‘5 things to know about Universal Family Care.’ Caring Across Generations. 2020.

National Alliance for Caregiving and Caring Across Generations. [Burning the Candle at Both Ends: Sandwich Generation Caregiving in the U.S.](#) November 2019.

HEERAD SABETI

Co-Founder & CEO

Fourth Sector Group

[“The For-Benefit Enterprise.”](#) *Harvard Business Review*, November 2011.

HOLLY ENSIGN-BARSTOW

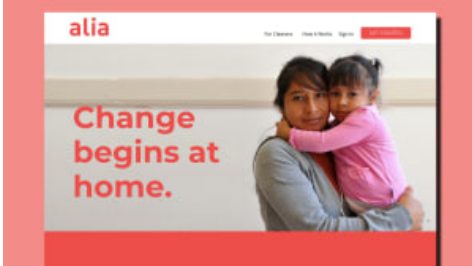
Director of Stakeholder Governance and Policy

B Lab

Draft Policy Ideas for the Future of Work Commission. 2020.

This new service gives domestic workers a way to get benefits and paid time off

On Alia, people who employ home cleaners can now pay into a collective fund for each worker that will enable them to miss a day and still get paid and access benefits like life insurance.



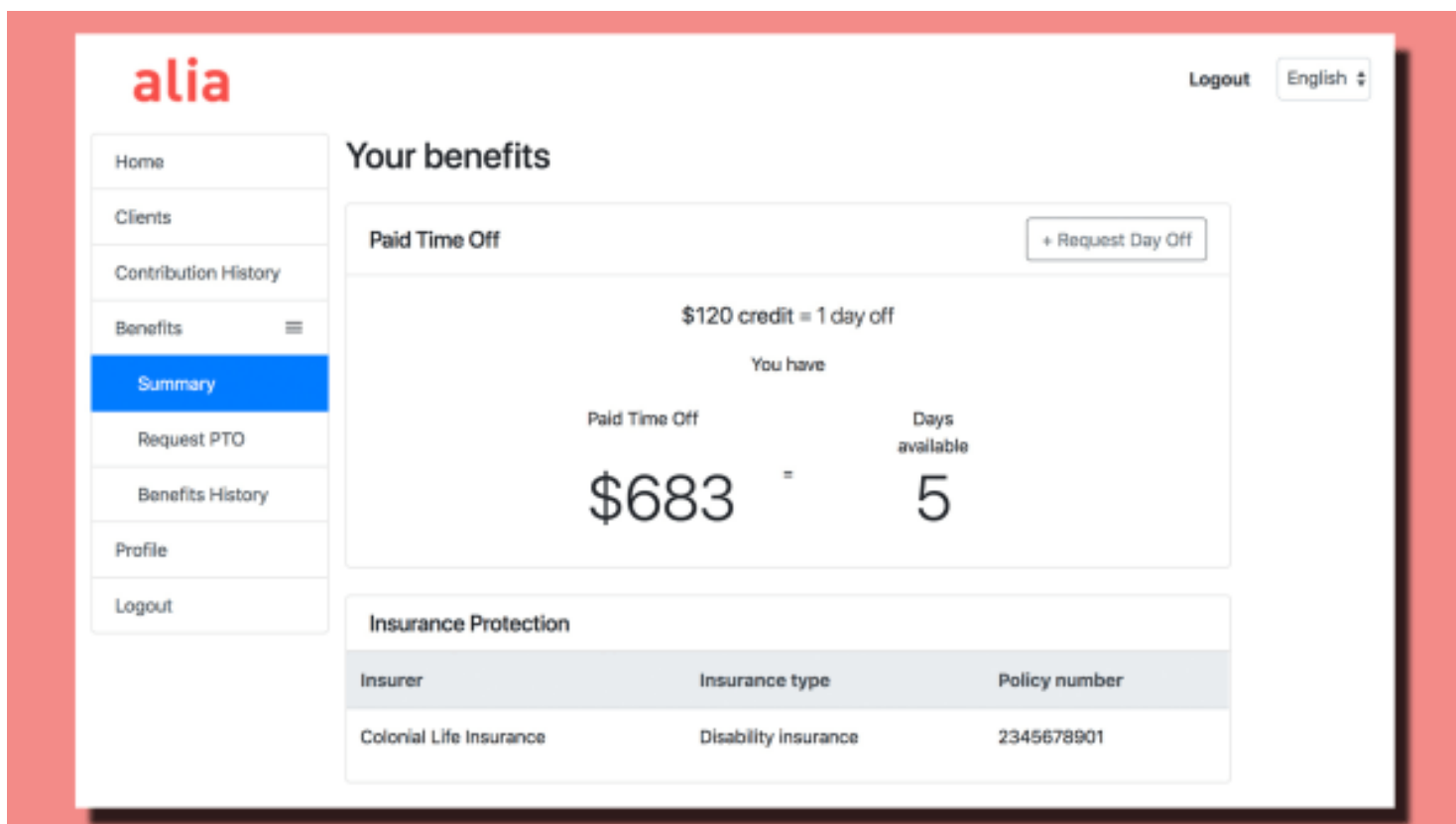
[Image: Alia]

BY EILLIE ANZILOTTI

5 MINUTE READ

Mercedes Martinez has cleaned homes in the New York City area for around 20 years, and has almost never taken a sick day. She is 55, and her husband recently passed away. She has two children whom she works to support. “It’s impossible to miss a single day because I need that money,” she tells *Fast Company* through a translator. When she once got the flu and couldn’t work for three days, she fell behind on bills. She’s also never been able to take a real vacation—every Thanksgiving, for instance, she works.

This year, though, that changed. Martinez was one of a handful of cleaners participating in the pilot launch of [Alia](#), a new benefits platform for cleaners that the [National Domestic Workers Alliance](#) launched to the public on December 11. The platform is designed so that cleaners will be able to gather additional financial support from their clients that they can use to access benefits like paid time off and sick leave, as well as benefits like life insurance, critical illness insurance, and disability or injury.



[Image: Alia]

For both cleaners and workers, the platform is very simple. A cleaner can sign up and list all of her clients and their contact information: She can either send invitations to her clients to join Alia via the website, or give them an informational pamphlet during her shift. The platform is available in both English and Spanish, to help bridge language barriers that exist for many cleaners. For clients, when they sign up for Alia, they're able to begin contributing a set amount per cleaning into a benefits fund for their cleaner. The suggested amount per cleaning is around \$5.

A cleaner who works for around 10 clients—the national average—will receive an average of \$150 per month. The monthly stipend is enough to fund around seven days off per year, and one or two insurance products of the cleaners' choosing. The main focus, for now, is on paid time off, which NDWA learned is the most urgent demand. Martinez, for instance, says that she's fallen behind on annual doctor's visits because she hasn't been able to get a break to go, and is looking forward to doing so now. As the platform evolves, Palak Shah, NDWA's social innovations director and her team are looking out for ways to support general health insurance and other types of benefits.



Home

Cleaners

Plans & Billing



Profile

Logout

Invite your Cleaner

We couldn't find your Cleaner but don't worry, we can invite them to join Alia with a simple text message.

Cleaner's name

Name

Cleaner's mobile phone number

9175568899

Cleaner's Preferred language

Spanish



Message Preview

Su cliente, Fiona Ramsey, quiere ayudarlo a acceder a beneficios como Tiempo Libre Pagado y seguros a través de Alia. Obtenga más información y regístrese en bit.ly/AliaLimpiadores

Se pueden aplicar tarifas de mensajes y datos.

Send Text or skip for now

[Image: Alia]

How the money in a cleaner's benefits fund is used is entirely up to the worker. The funds accumulate as a worker's Alia Benefits Credits, which they're able to manage on the digital platform. If a worker needs to take a day off, they can alert Alia, which will deliver them a prepaid Visa card loaded with \$120 to cover the day's wages. Additionally, they can purchase affordable insurance products from Colonial Life, which NDWA partnered with for the program. Right now, the insurance options are only available to workers in California and New York, but more states will be included soon. By keeping the benefits payments from employers in a specific fund dedicated to benefits products on Alia, workers can easily track and manage their benefits funding separate from their other income.

Around 2.5 million women in the U.S. are employed as domestic workers, and their jobs are some of the most important in the economy, says NDWA executive director [Ai-jen Poo](#). "We call their work the work that makes all other work possible, because it makes it possible for millions of families to go out and do what

they do every day” she says. But because domestic workers are employed independently and paid hourly, there’s [no way](#) for them to receive a traditional, employer-sponsored benefits package; often, they’re also not paid enough to be able to purchase benefits or sponsor their own time off.

The advent of [digital platforms](#) like Handy, through which people can book house cleanings, have made the services of domestic workers more readily available and accessible in one place, but that hasn’t translated into better or more equitable conditions for workers. Alia aims to mimic the ease of digital platforms, but to deliver tangible benefits for workers.

Now that the pilot—which was available to a small cohort in the New York City area, and mainly on a word-of-mouth basis—has successfully wrapped, Alia will be available to clients and cleaners nationwide. It’s free for anyone to sign up and make an account, and NDWA expects that word about it will quickly spread. “This is a referral-based industry,” Shah says, and circles of workers and clients tend to overlap and inform one another. NDWA will also be doing targeted outreach through public forums like libraries, as well as running marketing campaigns on more client-centric spaces like messaging boards and social platforms.

Part of what makes Alia work is that many people who employ cleaners are aware of the systemic inequities they face and want to help amend them. “Most employers want to do the right thing—they just haven’t had a really easy way to do it,” Shah says. During the pilot run of Alia, it was often clients who were encouraging people who clean their homes to sign up for the platform. For domestic workers like Martinez, asking their employers to sign up for Alia felt daunting, as their employment situations still feel tenuous. “The power differential between domestic workers and their employers is real,” Shah says. But the clients’ enthusiasm to pay into benefits for their workers was encouraging, Shah says, and also guided the NDWA to focus on the the client side of their network when launching their marketing campaign.

“Domestic workers need benefits,” Shah says. “They have been unprotected for generations, and haven’t had the kind of benefits or other economically stabilizing things that we think of that come with a job.” While Alia asks a fairly minimal financial commitment from people who employ domestic workers, it does ask them to consider the ways in which their employment has, so far, failed to protect the people that support their

households. And for workers like Martinez, who began receiving benefits payments just a couple months ago, it means being able to take her first Thanksgiving off, and having peace of mind that her work will continue to be valued should she need to take time for her own health or family.

And ultimately, Shah feels that if Alia can succeed in delivering benefits for domestic workers, that should pave the way for other initiatives to provide benefits to workers—from farm laborers to delivery workers to freelance journalists—who also have lacked them for far too long.

ABOUT THE AUTHOR

Eillie Anzilotti is an assistant editor for Fast Company's Ideas section, covering sustainability, social good, and alternative economies. Previously, she wrote for CityLab. [More](#)

2,254 views | Sep 27, 2019, 12:26pm

Domestic Workers Turn Investors: Announcing New Venture To Improve The Future Of Work



Morgan Simon Contributor ⓘ

Investing

I write about money and social justice.



Domestic workers deliberate industry-wide fairness standards at the National Domestic Workers ... [+] OTHELLO BANA
NDWA

When we think of the jobs of the future, we often think first of technology-focused occupations. But one of the oldest occupations — domestic work — has a firm place in the jobs of our future. The [Bureau of Labor Statistics](#) has projected home care as one of the fastest growing occupations in the US between 2018 and 2028. With 10,000 people

turning 70 every day and more families with two working parents, domestic work — including in-home child care, elder care, and cleaning — is projected to add over one million new jobs to the US economy over the next decade.

The main problem? Domestic work continues to be among the most undervalued, under-compensated, overworked, and hyper-vulnerable jobs in the country. There are an estimated 2.5 million domestic workers, mostly women, in the country. [The Economic Policy Institute](#) reports that nearly a quarter of domestic workers live below the official poverty line, and their median real weekly wages are half that of other workers.

Working behind closed doors, beyond the reach of personnel policies and minimum wage regulations, and often without employment contracts, the unregulated markets of domestic work can seem like the wild west. Women of color and immigrant women comprise a large portion of domestic workers; the poor working conditions they contend with further reflect the widespread social, racial, and economic inequities in our society.

Today In: [Money](#)



The [National Domestic Workers Alliance](#) (NDWA), one of the nation's most dynamic social change organizations, has worked tirelessly to elevate domestic work and the women who enable others to go to work. NDWA employs multiple strategies to improve domestic work jobs including organizing workers in communities across the nation, legislative efforts to lift worker rights and protections, and narrative and culture change through partnerships with popular culture storytellers and content creators, such as Participant Media and the Academy Award-winning film ROMA. Since its founding in 2007 — when many existing mechanisms for improving conditions for workers, like collective bargaining, were not yet available to domestic workers — the NDWA has been a home for innovating, piloting, and establishing new policy frameworks, organizing strategies, and partnership models; charting a path forward out of the shadows.

About five years ago, the domestic worker movement established [NDWA Labs](#) as the in-house innovation arm of the movement. NDWA Labs focuses on harnessing the power of technology and markets to organize workers and improve their jobs. Over the first few

years, NDWA Labs focused on building its own products and technology, including the nation's first portable benefits platform [Alia](#), which makes it easy for clients to make contributions to house cleaners' benefits.

Today, to optimize and expand the ways in which domestic workers can shape their own industry (and destiny), NDWA Labs is entering an exciting new terrain: the investor community.

With a \$5M seed investment from the [Quality Jobs Fund](#) of the [New World Foundation](#), NDWA Labs will begin providing patient and flexible capital for ideation, pre-seed, and seed stage entrepreneurs, and incubate new ventures that have a clear path to impact to improve job quality for the domestic workforce. I sat down with NDWA Labs Founding Director, Palak Shah, to find out more about this new leap.

Expanding into investment is a new strategy for NDWA Labs and the domestic worker movement. How did this initiative come about?

Domestic work has always been invisible and in the shadows of the economy, so it's not surprising that it's been invisible in the innovation space also. Despite the urgent opportunity to improve the quality and sustainability of this work, and despite the growing market for domestic work, the reality is that we don't have a clear solution to transform these jobs into good jobs. Given the sheer size of this market, we are seeing new entrants and investors — but the early models have simply aggregated work or provided convenience for clients, often to the disadvantage of domestic workers.

At first, we suspected that there simply wasn't enough capital flowing to the domestic work sector, and that perhaps our strategy could be to launch a double bottom-line investment fund. But after many conversations with impact investors, we learned that there simply weren't that many entrepreneurs or startups who were truly seeking to improve the quality of jobs in our industry. There are many focused on job access, and even several who are worsening jobs in practice, but very few actually improving the *quality* of jobs.

We realized that if there were to be any innovation in improving jobs for domestic workers, we would have to spur it ourselves rather than wait for models to emerge.

What's the investment specifically for, and how do you plan to use it?

We plan to fund ideation, pre-seed, and seed stage entrepreneurs and ventures, all of which seek to solve problems domestic workers face such as disrespect, low wages, insufficient hours, lack of benefits, getting hurt on the job, isolation, and stress. This includes funding in-house entrepreneurs to work closely with NDWA domestic worker members to develop worker-driven solutions, as well as backing founders or teams with startup ideas to participate in startup accelerators. In addition, an investment fund will provide seed capital to ventures (for profit or non-profit) that demonstrate the greatest potential, while actively bringing new investors and funders into this space.

Ultimately, we will be experimenting with different tools to achieve our goals. We might find that we can best incubate promising ideas by launching an accelerator focused on improving job quality. Or we could find that partnerships with existing incubators prove more promising. What sets our approach apart is that each experiment will be conducted from within the domestic worker movement, with direction and input from domestic workers themselves, from vetting applications from entrepreneurs, to engagement and feedback throughout the development process, to providing input on impact assessment.

How did this funding opportunity come about?

The \$5M seed investment is from the [Quality Jobs Fund](#) of the [New World Foundation](#), a \$100M social impact fund, whose mission is to support economic opportunity and mobility for working families and communities by investing in quality job growth (not just job creation) in vital growth industries and sectors of the economy.

What's exciting about the Quality Jobs Fund partnership is their understanding that getting to what works will take experimentation from a number of angles. And by

pioneering a new investment instrument, one that utilizes both equity and debt investments that can be forgiven based upon meeting quality job targets, the Quality Jobs Fund is giving birth to a new investment standard around patient, mission-aligned capital with a commitment to discovery.

Why do you think it's critical for a social movement to enter into seeding early stage innovation?

Because we see enormous value where others have not, and workers are at the center of everything that we do. The shortcomings with existing innovation are rooted in the problems they're trying to solve. Whose problems are Silicon Valley startups solving today? Certainly the customers' problems are being solved by finding ways for them to buy things more easily, or get dinner to their door faster. And investor "problems" of making a sufficient return to fund their next portfolio are being addressed by prioritizing growth and optimizing profit, often at the expense of workers. But nobody is starting from the place of "how do I improve the quality of jobs for the fastest growing occupation in this country?"

If domestic work jobs are the jobs of the future, whose job is it to actually make them good jobs? This movement is led by workers, for workers — so there is no one better to own this problem and decide what's best for the future of our industry.

What does success look like in this case?

Our joint goal with the Quality Jobs Fund is to improve the quality of 25,000 domestic work jobs over the next decade. But equally important, is recruiting others to solve the quality jobs problems not just for domestic workers but other vulnerable workers. We are confident that we will be able to partner with philanthropy and other double-bottom line investors to invest for significant social impact. And because NDWA Labs will have an ownership stake in early ventures, we will also have the opportunity to make follow-on investments and ensure the venture remains focused on solving real problems at scale. There is no magic formula or silver bullet here, and we simply don't know what

will work or what might be invented. It's refreshing to partner with a funder who agree on the north star of improving jobs and says: let's go!

With that in mind — is there a limit to what an investment strategy can accomplish?

At the end of the day, the current reality for workers is a reflection of a profound power imbalance between the workforce and the decision-makers in this industry. And the decision-makers in this industry are complicated — ranging from elected officials and private sector leaders to individual households. It will require a range of strategies to achieve our goals; investment is one of many, including organizing, policy change, narrative change, and building our own products. Each strategy, however, has its limits. Fortunately, in the context of a movement like ours, we can bring them together, and they build from one another.

But to be clear, there is so much room for improvement. There is so much work to be done and we are far from reaching the limitations of what market-based strategy can deliver for domestic workers. Until we create a space for entrepreneurs, organizers and domestic workers to work in concert with a single focus on job quality, we don't know the limits of what's possible.

You mentioned room for improvement. What's not working with mainstream entrepreneurship and investing more generally, in your opinion?

There is a well-worn "disruption" model of aggregating, optimizing, and pushing sector online, that has proven to serve entrepreneurs and their investors well. Often these endeavors are touted as "innovation" when in fact they are simply digitizing bad conditions that already exist offline and shoving them online. By innovating from the margins — from within the domestic worker movement, led by women of color — we generate outcomes that others wouldn't because the view from the bottom is very different to the view from the top.

Mainstream entrepreneurship and investing focuses on the customer but ignores the worker, or treats the worker as just another input in their algorithm. The focus is on the customer user experience. But workers are users too: without workers, these enterprises lose the power that drives them, and their “innovation” is reduced to an idea. Real innovation solves problems that reach beyond optimization and efficiency, into equity and job quality.

What’s your ultimate goal?

Real change takes place when power shifts, and as a movement, our goal is that domestic workers have the power to shape the future of their industry and receive the respect and dignity they deserve.

Investors and venture capital are shaping the lives of millions of women in this country. Most of these funds are funded and managed by men. Privileged men. Investment fund initiatives that shift job markets and impact wages, and have fundamentally changed how domestic workers find their work and what they get paid.

This opportunity is our first step into modeling what it looks like for capital to be in service of, in relationship with, and accountable to the very people whose labor powers growing and essential industry.

Thanks to Jasmine Rashid for her contributions to this piece. Full disclosures related to my work [here](#). This post does not constitute investment, tax, or legal advice, and the author is not responsible for any actions taken based on the information provided herein.

Follow me on [Twitter](#) or [LinkedIn](#). Check out my [website](#).



Morgan Simon

I am an investor and activist who has been building bridges between finance and social justice for close to twenty years. In that time, I've influenced over \$150 Billion... **Read More**

BROKE IN PHILLY

Paid time off for Uber drivers? How a Philly plan could be a model for millions of gig workers.

by [Juliana Feliciano Reyes](#), Updated: November 6, 2019



TIM TAI / STAFF PHOTOGRAPHER

Maria Del Carmen Diaz works full time, often pulling 60-hour weeks cleaning houses across Philadelphia for more than two dozen families. Still, she doesn't get paid time off — or health care or retirement benefits — through her employers.

That's about to change, at least in Philadelphia. The city's Domestic Worker Bill of Rights, [unanimously passed](#) by City Council on Oct. 31 and expected to be signed into law, will launch a "portable benefits" system for domestic workers such as Diaz.

RELATED STORIES

- **A new app gives paid time off to the ‘original gig workers’**
- **Here’s how new labor protections for Philly’s domestic workers would be applied**
- **Philly to expand rights for housekeepers and nannies, including requiring a contract and paid leave**

In principle, experts say, the idea of tying benefits to the worker instead of the employer could be adapted to help tens of thousands of Philadelphians working for multiple employers. And what happens here could be a model for millions of American workers without adequate access to benefits because they are [subcontractors](#) or juggling multiple part-time jobs or driving for Uber to supplement their income — so-called nontraditional work arrangements that have become increasingly common and prominent.

“It’s unprecedented and groundbreaking for domestic workers,” said Mariana Viturro, deputy director at the National Domestic Workers Alliance, “and it can be a precedent for other workers who work in similar arrangements.”

The move to empower domestic workers is seen as [another example](#) of Philadelphia, the [nation’s poorest large city](#), being on the vanguard of passing legislation to protect low-wage workers — despite the concerns of business groups that call these policies an overreach. The first so-called portable benefits system for paid time off in the country comes at a time when the “future of work” is getting increasing attention, from [Silicon Valley](#) employers to think tanks.

“There’s a growing recognition that the safety net of the last century just doesn’t match the state of work today,” said Shelly Steward, research manager of the [Aspen Institute’s Future of Work](#) initiative. “Portable benefits are part of the conversation about how we can change that.”

INQUIRER MORNING NEWSLETTER

Get the news you need to start your day

Sign Up

» **READ MORE:** [How slow-to-act Philadelphia came to pass some of the most cutting-edge worker laws in the nation](#)

The potential impact

It’s hard to pinpoint the size of the [gig economy](#), where an increasing share of the workforce is dependent on multiple, temporary “gigs” for livelihood. In 2017, about 10.6 million Americans, or nearly 7 percent of total employment, considered “independent contractor” their main job, according to federal data.

But that’s [likely](#) a conservative estimate, as it doesn’t account for people who make their living with a mix of traditional employment and freelance work, or multiple jobs, such as a retail worker who also works at an Amazon warehouse.



TIM TAI / STAFF PHOTOGRAPHER

Mercedes Reyes (center), a live-in domestic worker and leader with the Pennsylvania Domestic Workers Alliance, hugs City Councilwoman Maria Quiñones-Sánchez, after Council passed a bill expanding labor protections for domestic workers. At left is Pennsylvania Domestic Workers Alliance director Nicole Kligerman.

Regardless, portable benefits systems have the potential to affect the lives of millions, according to the Aspen Institute, a think tank that has advocated for the creation of portable benefits systems.

In Philadelphia, the provision will grant paid time off to 16,000 domestic workers — a number that’s expected to continue to grow. In 2016, the Bureau of Labor Statistics predicted that nearly 12% of all new job openings in the next decade will be based inside a home, including nannies, cleaners, and home health aides.

“Domestic work, in many ways, is the future of work,” Aspen Institute’s Steward said.

» **READ MORE:** *[‘Working harder and getting less’: Good old days of ride-sharing are gone, Philly drivers say](#)*

How it will work in Philly

Much of the details will get hammered out in the coming months, with help from a standards board made up of workers, employers, and lawyers, but the gist is that each employer will contribute a prorated amount to a worker’s fund based on what the worker is paid. It’s expected to be a 2.5% increase in costs for the employer, the Mayor’s Office of Labor said.

Workers will accrue one hour per 40 hours worked, similar to the city's paid sick leave law, which doesn't cover independent contractors or workers employed by companies of 10 or fewer employees. And if the nanny or house cleaner stops working for a certain family, that person still gets to keep the paid time off that has been accrued.

To get around a state preemption law, which bars Philadelphia from mandating that employers pay their workers more, the paid time off is being described as a benefit — not a bonus, said Amanda Shimko, who runs enforcement for the Mayor's Office of Labor. Paid sick laws, too, have [bypassed](#) preemption concerns.

» **READ MORE:** [Seattle is the leader in worker protection laws. What can Philly learn as it considers a 'fair workweek'?](#)

Though the city plans to begin enforcing the Domestic Workers Bill of Rights next May, the portable benefits system will take longer because the city has to purchase the system and hire a contractor that will run and manage it. The National Domestic Workers Alliance, which has worked to get domestic worker laws passed across the country, runs [a system](#) called Alia that is live across the country and plans on applying to the city's forthcoming request for proposals, Viturro said.

Ease of use is important, Steward said, because opting in can be an obstacle. If it involves complex paperwork or going to a government office, that'll prove a serious hurdle to adoption, especially for undocumented immigrant workers who fear being targeted by immigration enforcement.



A collaborative reporting project on solutions to poverty and the city's push towards economic justice.

Enforcement — a major component of the effectiveness of the law — will be complaint-based and require education of both employers and workers. It's something the Mayor's Office of Labor has [historically struggled](#) with: In 2018, the office resolved nine paid sick leave investigations, while Seattle's office, considered a national leader in enforcement, resolved nearly 80.

But in the last six months, in response to a push from advocates, the office has grown its staff to increase enforcement and education around all of its worker protection laws, including paid sick and the forthcoming [Fair Workweek scheduling law](#) for service workers,

The adoption of a portable benefits system is the latest in a trend of Philadelphia leading a national fight to expand [worker protection laws](#). It's the second biggest city in the country to pass a Fair Workweek law. It was the first city in the country to pass a "[just-cause](#)" law against unfair firings. The District Attorney's Office recently [launched](#) a unit to prosecute employers for crimes against workers.

» **READ MORE:** [How Philly's office to protect workers is changing after a sputtering start](#)

Rich Lazer, deputy mayor of labor, said the portable benefits system is another show of how serious Philadelphia takes worker protection legislation. Still, the city has been criticized by business groups, including the Chamber of Commerce for Greater Philadelphia, for meddling where these groups say government shouldn't: Leave it to the human-resources departments, Chamber CEO Rob Wonderling has said.

Lazer disagreed, saying that the city has a role to play in making sure workers are not being mistreated.

“Some of the stories we’ve heard ... what [these workers] have to deal with every day, and they have nowhere to go to get help,” he said. “That’s why the city steps in.”

The Philadelphia Inquirer is one of 21 news organizations producing [Broke in Philly](#), a collaborative reporting project on solutions to poverty and the city’s push toward economic justice. See all of our reporting at [brokeinphilly.org](#).

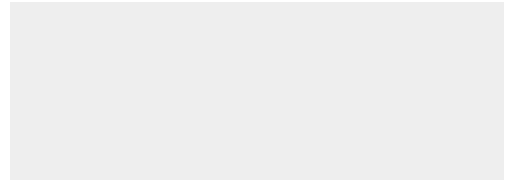


Posted: November 6, 2019 - 5:00 AM

[Juliana Feliciano Reyes](#) | [@juliana_f_reyes](#) | [jreyes@inquirer.com](#)

Never Miss a Story

Subscribe



We Recommend

Kennett Square mushroom grower’s \$115 million expansion is a big bet for New York investor

Joseph N. DiStefano

Employers use algorithms to rate job interviewees. A new Illinois law gives candidates rights

Abdel Jimenez

How this black UPS worker challenged powerful union leaders in Philly, and won

Juliana Feliciano Reyes

Philadelphia refinery hit with \$132,000 fine for violations related to June fire

Andrew Maykuth

Philadelphia Defender Association refuses to recognize public defenders union — for now

Juliana Feliciano Reyes

Software maker Phenom People raises \$30 million, to hire 75 to boost global sales

Joseph N. DiStefano

OUT OF THE SHADOWS

Nannies and housecleaners have some of the hardest, least secure jobs in the nation. Now they're organizing to change that.

By LAUREN HILGERS

Photographs by SHARIF HAMZA

ON A BEAUTIFUL April day in 2002, a woman named Ai-jen Poo walked into the River Run Playground on New York's Upper West Side, where a cluster of Caribbean women had gathered, tending to children who were not their own. Kids ran chattering up the play structures, following the trail of a concrete stream that runs the length of the playground. A woman named Allison Julien pulled her eyes off the little girl she was caring for and watched as Poo walked toward her, pulling fliers out of her bag as she approached. Poo was there, she explained, to talk to the women about their rights. Julien, an immigrant from Barbados and third-generation domestic worker, was ready to listen.

“Here was this Asian lady talking to a bunch of Caribbean folk about domestic-worker organizing?” Julien recalled. She stood at Poo's shoulder and thought to herself: Who are you? A unicorn?

Poo is a lifelong activist with straight hair and a wide, calm face. She was in her late 20s when she first met Julien, already with a voice so steady it could talk down a thunderstorm. She spoke about the meetings her organization was holding. Julien was undocumented and afraid, but she knew she was interested — she had long been frustrated with the hours she worked, the lack of respect she felt and the stories of exploitation she heard from other nannies on the playground. Poo wrote down detailed directions on the back of a flier, in red ink, telling her which trains to take, where to walk and what door to use. Julien went home that night and started worrying about her outfit. “It was a meeting, and I didn't know how dressed up to get,” she said. “Caribbean people, we love to get all dressy and fancy.”

[From the 1970s into the 1990s, women made huge advancements in corporate America. Then that progress stalled. Why? [Find out in our Future of Work Issue.](#)]

The next week, when the meeting was scheduled, Julien resisted the impulse to overdress and showed up in sneakers. She opened the doors, walked into the meeting and thought: These women are just like me. Julien had spent years convinced that she should never refuse an employer's request — that the insecurity of her job was a direct result of her personal situation. “As an immigrant, when you arrive, someone in your community introduces you to the work,” she explained. “They are the ones who tell you how much your wages should be; what hours you're supposed to work; to never say no to an employer.” She rolled her eyes. “Well, that didn't last long for me.”

What Julien had walked into was a citywide movement on the cusp of going national. Poo was then the head of New York's Domestic Workers United; in a few years, she and Julien would both become founding members of the National Domestic Workers Alliance, a network of activist groups across the country. Formed in 2007, the N.D.W.A. has won state legislative victories, started membership services and created a political advocacy arm. Today it includes four local chapters and 63 affiliate organizations in 38 different cities and towns.

The women the N.D.W.A. represents are diverse and scattered. There are more than two million domestic workers in the United States, most women of color and immigrants. They are housecleaners, nannies and health aides working in private homes, a majority making less than \$13 an hour. It's a work force that is extremely heterogeneous, largely invisible and subject to abuses that range from wage theft to sexual assault and outright human trafficking. (Poo has organized more than a handful of midnight escapes.)

The diversity of backgrounds and needs among its members is something that the N.D.W.A. seeks to simultaneously honor and overcome. Poo, who has been the director of the N.D.W.A. since 2009, aims to create a community based on shared experiences that does not diminish the challenges that are specific to, say, an African-American worker in Atlanta or a recent immigrant in Seattle. Domestic workers have some of the hardest, least secure jobs in the nation, and Poo wants to make them good jobs — with living wages, benefits, days off and legal protections. A good job, she says, has a safety net. A good job does not end without warning or leave women rationing medication they can't afford.

Poo is pursuing legislation that builds a floor of basic legal protections for domestic workers — a place from which workers and organizers can begin to advocate. The N.D.W.A. is trying to create a new kind of collective bargaining, one where domestic workers have standard contracts and a place to take their complaints. They have built a benefits platform tailored to workers who move from job to job and a political organization promoting candidates who support their causes. They are fighting for immigrants' rights and women's rights. "There isn't a pre-existing model for organizing these workers — they are creating something new," says Louis Hyman, a labor historian at Cornell University and author of the book "Temp," who argues that existing labor and unionization laws have long been insufficient.

“We are bringing all the tools and all the creativity we have to do this work,” Poo says. “We are in a moment where we can either shape the future and be part of how this whole thing unfolds, or we can be victims of it, the way that we have been for generations.”

WHEN POO THINKS about what is happening to labor in the United States today, her closest comparison is the transformation that took place during the Industrial Revolution. In the agricultural economy, people largely worked for themselves, or in small groups. With the rise of factories, work was aggregated and made more efficient. In the upheaval that followed, laborers lost out, so they organized and went on strike. In 1935, the National Labor Relations Act was passed, but domestic workers and farmworkers, conspicuously, were left out.

“The first professional domestic workers in this country were enslaved black women,” Poo says. The nation’s labor laws were, from the outset, tied to Jim Crow. And with no minimum wage and no ability to bargain — really no legal protections at all — a work force that was at the time largely made up of African-American women was driven even further into the shadows. In Poo’s view, the problems that face domestic workers today are steeped in this history of exclusion, sexism and racism.

Poo was born in the United States to Taiwanese immigrant parents. She spent her life slipping in and out of new geographies and new contexts. Poo was raised, in part, by her grandmothers in Taiwan. She spent a year of her life there as a baby and then returned to the United States, first to Indiana, where her father was a student, and then to Irvine, Calif. After that, her family took her to New Haven, Conn., where a teacher criticized her “California surfer girl” attitude (“I can barely swim!” Poo told me). Through all of this, Poo was cared for by a community of immigrants and students, women she called “aunties,” who gave her mother the space to raise two children while getting a medical degree and a Ph.D. in chemistry.

Before graduating from Columbia in 1996, Poo started volunteering with CAAAV, an organization serving the Asian community in New York. (The initials originally stood for Committee Against Anti-Asian Violence, but now the group uses the acronym only.) It was there that she first started to understand the difficulties that domestic workers faced. CAAAV had begun an effort to reach immigrant women in all kinds of service industries — nail-salon workers, massage-parlor workers, restaurant workers and domestic workers. At the meetings they organized — the health fairs in

particular — it was domestic workers who kept showing up. “As soon as you started interacting in the immigrant community, you started seeing domestic workers,” she said. “We were just starting to see the abuses facing domestic workers. And once you started to see it, you couldn’t not see it.”

Poo’s work changed accordingly. Soon she was meeting regularly with a group of Filipina domestic workers, many of whom who had come to the United States after laboring in Hong Kong. “One of the first questions the women started asking me was, ‘Why don’t we have a standard contract?’ ” Poo says. “They were asking: ‘What are the guidelines? What are the rules here?’ And then we would very quickly learn that there were very little protections in place.”

By the time Allison Julien joined the group, Poo had every playground in New York City mapped in her head. She had started this circuit in 1998 and spent hours walking the city every week. She visited playgrounds and commuter railway stops; she was kicked out of the kids’ sections at Barnes & Noble more times than she could count (“back when there were Barnes & Nobles,” Poo joked). She talked to care workers wherever she found them. She asked them about their lives and invited them to meetings. This is organizing, she told me — walking, calling, passing out fliers, holding meetings and building relationships upon relationships, creating a collective out of what she calls the “crazy, unruly raw ingredients of human beings.”

In 2003, Poo’s organization helped pass a citywide law that required nanny and babysitting agencies to inform workers of their rights. But it seemed like a symbolic victory at best. “Even winning that bill there was so little protection under the law, it didn’t really mean much — they didn’t have many rights to know about,” she says. So Poo set her sights on Albany and determined that introducing any new legislation would require input from her members. (“Being grounded in the specificity of what’s happening to people allows us to see the big picture,” she says.) That year, she organized a meeting of more than 200 domestic workers (with simultaneous translation) and asked them what protections they needed. Out of those meetings she developed what would eventually become the linchpin of the entire movement: the Domestic Workers’ Bill of Rights. What they were asking for constituted a bare minimum of overtime pay, one day off a week, three paid vacation days a year and protection under New York’s Human Rights Law.

Still, it took domestic workers six years to get the legislation passed in 2010. Poo spent years organizing vans and buses from New York City, at least once a month when the Legislature was in session. She and her colleagues found that they had to constantly remind legislators what they were talking about — yanking domestic workers out of invisibility. “I ended up telling people: ‘Every time you say no, it’s just an invitation for me to come back,’ ” Julien told me about lobbying legislators. “So if they didn’t want to see me back there in their office, they better start saying yes!”

While Poo was organizing in New York City, other organizations across the nation were working with nannies and caregivers in their cities. (One group in Los Angeles was printing a cartoon called “Super Doméstica” and passing it out along bus lines.) Poo started reaching out to them to discuss the challenges she faced. “Organizing is really hard,” she said. “We were all struggling with these big questions that were really fundamental and thinking: There’s got to be somebody who knows the answer to these questions.” In 2007, a group of around 50 domestic workers and organizers from six different cities came together in Atlanta for the U.S. Social Forum, a gathering of social-justice activists. “We met together and decided right then and there, on our first date, to get married,” Poo said. They formed the N.D.W.A. in the hope they could work together, build capacity and concentrate power.

POO IS NOT the first woman to take the lead in organizing domestic workers in the United States. Chief among her predecessors is [Dorothy Lee Bolden](#), an Atlanta domestic worker who helped nannies and maids win inclusion in minimum-wage and unemployment laws during the 1950s and ’60s. Despite the successes of Bolden’s movement, the working conditions for nannies and cleaners have continued largely unchanged across the nation. Today, however, Poo believes that the economic and demographic changes taking place in the United States will make domestic workers and their jobs increasingly important, and the problems they face more difficult to ignore. “Today, when I look around, the conditions that define domestic work — the unpredictability of hours, lack of job security, lack of access to benefits, and a safety net — this vulnerability has become defining of more and more of the American work force,” she says.

[Read the [Times’s obituary for Dorothy Bolden](#), who helped start the National Domestic Workers Union of America in 1968.]

By 2030, Poo says, care workers — nannies and health aides together — will be the biggest work force in the U.S. Some scholars are predicting that, by then, the nation's demand for domestic work will have grown so quickly that it will face a shortfall of nearly four million paid and unpaid caregivers. If we continue to neglect the women doing these jobs, Poo argues, we will struggle to find quality care for our aging parents and grandparents and our children.

At its inception, the N.D.W.A. was run entirely by volunteers, but by 2009 it had grown, and founders asked Poo to become the director of the organization. She approached her national role in much the same way she had organized in New York — working first to develop a full picture of the work force she was representing. In 2012, the N.D.W.A. commissioned a nationwide survey of domestic workers. “I think what snapped into awareness really quickly was that this work force, and these people that had been on the margins for so long, was suddenly on the forefront of so much change in our society and our economy,” Poo says.

Poo began paying close attention to the diversity of domestic laborers — their different experiences and demands. It was clear, she said, that her organization would have to be at once extremely specific and expansive. “It was really important to us to take on the issues that domestic workers care about,” said Alicia Garza, a founder of Black Lives Matter Global Network and current strategy director at the N.D.W.A. “That includes things like criminal-justice reform. One in two black women have relatives who are incarcerated — not being able to make a fair wage may impact your ability to support a family member in jail. Having a family member in jail may impact your own ability to make ends meet.”

Early on in her work at the N.D.W.A., before the organization started growing at hyperspeed, Poo decided to think strategically about power. She identified five arenas she believed were integral to shaping her movement. There were the practical arenas: economic (building the economic power of their members and extending the way that the N.D.W.A. raised funds), political (legislation and voter outreach) and disruptive (protests). Then there were two categories that Poo feels are equally important but more esoteric: narrative (changing the way we think about and value domestic work) and modeling (creating state programs, technology platforms and collectives that work).

Many of the N.D.W.A.'s ventures fall into more than one of these categories, and Poo has been aided by a growing team of leaders. She brought on Garza to help expand their organizing, particularly in communities of black domestic workers in the South. She recruited a social innovation and technology expert named Palak Shah to create an innovation lab, who has facilitated partnerships with Silicon Valley and recently introduced a portable benefits platform called Alia, serving housecleaners. "We're developing technology commercial markets have not yet solved for," Shah told me.

In the meantime, seven other states have adopted domestic workers' rights legislation, while a federal version is being prepared by Representative Pramila Jayapal and Senator Kamala Harris. The N.D.W.A. has launched an initiative focusing entirely on home health aides, as well as an immigrant rights organization called Families Belong Together. Mónica Ramírez heads its campaign to promote gender equality. And Poo is continuing to sponsor outreach that will help the N.D.W.A. better understand the domestic-work markets throughout the United States.

Last year, Care in Action, a group allied the N.D.W.A., began its first electoral organizing effort overseen by Jess Morales Rocketto, a 32-year-old alumna of the Hillary Clinton campaign and the A.F.L.-C.I.O. "We believe that low-wage women of color should be at the forefront of political leadership," Morales Rocketto told me. "They should be the ones we listen to about strategy; they should be on TV; they should be the ones running for office." Here is a constituency who reliably votes for the Democratic Party, Morales Rocketto explained, but their priorities are left off the agenda.

During the 2018 election, Care in Action mobilized in Georgia, supporting the Democratic gubernatorial candidate Stacey Abrams and a list of other candidates, all women of color. Care in Action had 578 paid canvassers, 1,400 volunteers and more than half a million conversations with voters. Its marquee candidate lost, but Morales Rocketto believes the election demonstrated what domestic workers could accomplish. "I think it was proof of concept," she said. "We wanted to expand the electorate. We would talk to people who would say: 'You can't knock those doors. You can't talk to these voters.' And we had already done it." One woman, she remembered, ran out of her house and told volunteers she had been waiting for someone to come.

When it came to changing the narrative about domestic work, Poo found that there was no more effective way to spread an alternate portrayal than Hollywood. It was the 2011 movie “The Help” that sparked the idea to partner with filmmakers and movie stars. “Our workers were waiting for the bus and seeing these huge billboards,” Poo said. Her team started handing out fliers at movie theaters that said, “Do you want to know about the real help?” Poo was a [guest of Meryl Streep](#) at the 2018 Golden Globes and of the director Alfonso Cuarón this January. During the Oscars this Sunday, stars like Laura Dern and Eva Longoria will help host a ceremony in Los Angeles honoring domestic workers, in conjunction with Cuarón’s film “Roma.” Poo calls this a “cultural moment” in which domestic workers are becoming increasingly visible.

POO’S OVERARCHING PLAN is expansive. People in the N.D.W.A. regularly use the word “experimentation” to describe what they are doing, and the breadth of their new ventures reflect the ambitions of its leader. What Poo is doing requires bringing all of her so-called vectors to bear — the economics, the politics and the protests. It also requires a shift in public consciousness that is close to seismic. Change the way we value the labor of domestic workers, she is telling us, and we can upend our current hierarchy of privilege and power, bringing our economy in line with our values as human beings. This vision is predicated on the idea that employers — most of them, at least — are her allies; that these are people who are simply unaware of the struggles facing the caretakers they hire, who are steeped in the idea that this is unskilled labor and are so overwhelmed by their own lives that they don’t stop to consider how long and unpredictable hours might keep their employees from their own children or partners or parents.

And yet even well-intentioned employers may be allies only to a point. The women and men who rely on caretakers to help them pursue their careers — jobs that themselves require eight hours or more a day in an office — might balk at paying overtime rates every day or cutting down on hours. Today, it is estimated that only around 5 percent of domestic workers in the United States are paid on the books. (Home health aides are a different story; most are supported by Medicaid payments, and there simply isn’t enough money in the public system to increase wages and provide the services needed.) Persuading the 95 percent of families who employ nannies to make the jump from under-the-table payments to an aboveboard living wage will require more than a simple narrative adjustment. A publicly funded system is also a difficult sell; in Maine last year, a ballot initiative to provide universal home care was defeated, largely

because of a tax increase on those making over \$128,000 a year intended to cover the program.

Poo admits that her project is ongoing and perhaps interminable.

“Organizing and building power for this work force is a never-ending project,” she told me. Then she caught herself: “I mean, hopefully we will win and everything will be great. But this is an ongoing generational journey.”

The N.D.W.A. will soon be introducing a new Bill of Rights in California and other places, and the organization is considering trying to replicate a negotiating and enforcement body established last year in Seattle that represents both employers and workers. “It’s an experiment in creating a collective,” said Mariana Viturro, the N.D.W.A.’s deputy director. “We’re thinking: Is there a way for workers to set up standards without launching a whole other legislative campaign?”

In New York, Allison Julien is now working out of the N.D.W.A. offices full time. She spent more than 25 years as a nanny, and many as an organizer, and she believes her work conditions improved after she started pushing back. “I started using my voice,” she said. “I believe my employers saw the value in my experience — they saw the lines of my professionalism.” Her dream is that domestic workers will be respected without having to ask for respect. But for now, she is still asking on their behalf.

Despite the lengthy struggle that the N.D.W.A. is facing, Poo’s ultimate vision would solve the problems of her workers and fill the needs of a changing society; in an idea she calls Universal Family Care, her moral narrative would fuse with her economic and political goals through the creation of a social insurance fund. Everyone in the U.S. would pay into the fund, which would cover care of all types — child care, elder care, paid family leave and services for people with disabilities. “It would finance our care infrastructure in a way that we could finally make these jobs living-wage jobs with benefits,” she says. “Doesn’t that sound great? It could totally happen!” And then Poo catches herself again. “I mean, it will happen. It’s just a matter of when.”

Correction February 21, 2019

An earlier version of this article misstated the relationship between Care in Action and the National Domestic Workers Alliance. They are allied, but separate organizations. Care in Action is not a group within N.D.W.A.

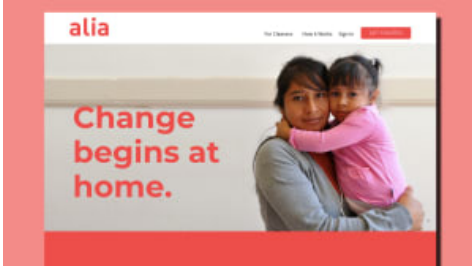
Correction February 22, 2019

An earlier version of a picture caption with this article misstated aspects of Edith Mendoza's work history and relationship to N.D.W.A. She cleaned offices for the past two and a half years, not four. And she joined an N.D.W.A. affiliate in 2016, not last year.

Lauren Hilgers is a writer based in New York. Her book, "Patriot Number One," following a Chinese activist and his family who escaped to America, is a finalist for the 2019 PEN/Jacqueline Bograd Weld Award in Biography. **Sharif Hamza** is a photographer based in Brooklyn. He is currently working on a book, "Young Americans," about youth gun culture.

This new service gives domestic workers a way to get benefits and paid time off

On Alia, people who employ home cleaners can now pay into a collective fund for each worker that will enable them to miss a day and still get paid and access benefits like life insurance.



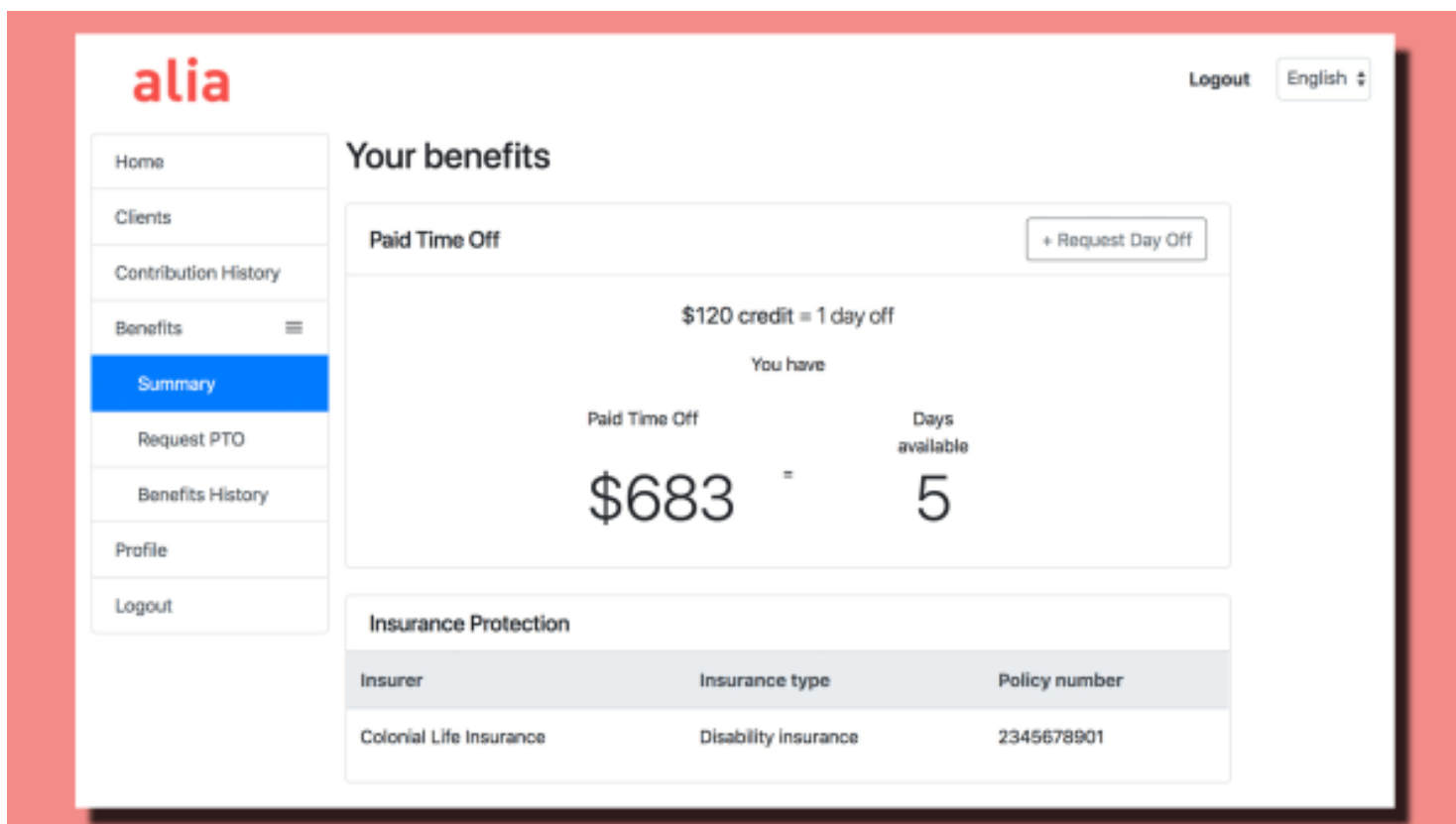
[Image: Alia]

BY EILLIE ANZILOTTI

5 MINUTE READ

Mercedes Martinez has cleaned homes in the New York City area for around 20 years, and has almost never taken a sick day. She is 55, and her husband recently passed away. She has two children whom she works to support. “It’s impossible to miss a single day because I need that money,” she tells *Fast Company* through a translator. When she once got the flu and couldn’t work for three days, she fell behind on bills. She’s also never been able to take a real vacation—every Thanksgiving, for instance, she works.

This year, though, that changed. Martinez was one of a handful of cleaners participating in the pilot launch of [Alia](#), a new benefits platform for cleaners that the [National Domestic Workers Alliance](#) launched to the public on December 11. The platform is designed so that cleaners will be able to gather additional financial support from their clients that they can use to access benefits like paid time off and sick leave, as well as benefits like life insurance, critical illness insurance, and disability or injury.



[Image: Alia]

For both cleaners and workers, the platform is very simple. A cleaner can sign up and list all of her clients and their contact information: She can either send invitations to her clients to join Alia via the website, or give them an informational pamphlet during her shift. The platform is available in both English and Spanish, to help bridge language barriers that exist for many cleaners. For clients, when they sign up for Alia, they're able to begin contributing a set amount per cleaning into a benefits fund for their cleaner. The suggested amount per cleaning is around \$5.

A cleaner who works for around 10 clients—the national average—will receive an average of \$150 per month. The monthly stipend is enough to fund around seven days off per year, and one or two insurance products of the cleaners' choosing. The main focus, for now, is on paid time off, which NDWA learned is the most urgent demand. Martinez, for instance, says that she's fallen behind on annual doctor's visits because she hasn't been able to get a break to go, and is looking forward to doing so now. As the platform evolves, Palak Shah, NDWA's social innovations director and her team are looking out for ways to support general health insurance and other types of benefits.



Home

Cleaners

Plans & Billing



Profile

Logout

Invite your Cleaner

We couldn't find your Cleaner but don't worry, we can invite them to join Alia with a simple text message.

Cleaner's name

Name

Cleaner's mobile phone number

9175568899

Cleaner's Preferred language

Spanish



Message Preview

Su cliente, Fiona Ramsey, quiere ayudarlo a acceder a beneficios como Tiempo Libre Pagado y seguros a través de Alia. Obtenga más información y regístrese en bit.ly/AliaLimpiadores

Se pueden aplicar tarifas de mensajes y datos.

Send Text or skip for now

[Image: Alia]

How the money in a cleaner's benefits fund is used is entirely up to the worker. The funds accumulate as a worker's Alia Benefits Credits, which they're able to manage on the digital platform. If a worker needs to take a day off, they can alert Alia, which will deliver them a prepaid Visa card loaded with \$120 to cover the day's wages. Additionally, they can purchase affordable insurance products from Colonial Life, which NDWA partnered with for the program. Right now, the insurance options are only available to workers in California and New York, but more states will be included soon. By keeping the benefits payments from employers in a specific fund dedicated to benefits products on Alia, workers can easily track and manage their benefits funding separate from their other income.

Around 2.5 million women in the U.S. are employed as domestic workers, and their jobs are some of the most important in the economy, says NDWA executive director [Ai-jen Poo](#). "We call their work the work that makes all other work possible, because it makes it possible for millions of families to go out and do what

they do every day” she says. But because domestic workers are employed independently and paid hourly, there’s [no way](#) for them to receive a traditional, employer-sponsored benefits package; often, they’re also not paid enough to be able to purchase benefits or sponsor their own time off.

The advent of [digital platforms](#) like Handy, through which people can book house cleanings, have made the services of domestic workers more readily available and accessible in one place, but that hasn’t translated into better or more equitable conditions for workers. Alia aims to mimic the ease of digital platforms, but to deliver tangible benefits for workers.

Now that the pilot—which was available to a small cohort in the New York City area, and mainly on a word-of-mouth basis—has successfully wrapped, Alia will be available to clients and cleaners nationwide. It’s free for anyone to sign up and make an account, and NDWA expects that word about it will quickly spread. “This is a referral-based industry,” Shah says, and circles of workers and clients tend to overlap and inform one another. NDWA will also be doing targeted outreach through public forums like libraries, as well as running marketing campaigns on more client-centric spaces like messaging boards and social platforms.

Part of what makes Alia work is that many people who employ cleaners are aware of the systemic inequities they face and want to help amend them. “Most employers want to do the right thing—they just haven’t had a really easy way to do it,” Shah says. During the pilot run of Alia, it was often clients who were encouraging people who clean their homes to sign up for the platform. For domestic workers like Martinez, asking their employers to sign up for Alia felt daunting, as their employment situations still feel tenuous. “The power differential between domestic workers and their employers is real,” Shah says. But the clients’ enthusiasm to pay into benefits for their workers was encouraging, Shah says, and also guided the NDWA to focus on the the client side of their network when launching their marketing campaign.

“Domestic workers need benefits,” Shah says. “They have been unprotected for generations, and haven’t had the kind of benefits or other economically stabilizing things that we think of that come with a job.” While Alia asks a fairly minimal financial commitment from people who employ domestic workers, it does ask them to consider the ways in which their employment has, so far, failed to protect the people that support their

households. And for workers like Martinez, who began receiving benefits payments just a couple months ago, it means being able to take her first Thanksgiving off, and having peace of mind that her work will continue to be valued should she need to take time for her own health or family.

And ultimately, Shah feels that if Alia can succeed in delivering benefits for domestic workers, that should pave the way for other initiatives to provide benefits to workers—from farm laborers to delivery workers to freelance journalists—who also have lacked them for far too long.

ABOUT THE AUTHOR

Eillie Anzilotti is an assistant editor for Fast Company's Ideas section, covering sustainability, social good, and alternative economies. Previously, she wrote for CityLab. [More](#)

5 things to know about Universal Family Care

- 1 It's for **any care moment** in your life!**
Whether you're a working mom with a sick child, an aging senior caring for a disabled family member, or a husband caring for a spouse, Universal Family Care is a transformative, new federal program that would help all of us afford childcare, eldercare, supports for people with disabilities and paid leave. Nobody should have to choose between their family and their livelihood.
- 2 It goes **beyond** traditional healthcare.**
The front lines of care work that keeps families healthy and safe often takes place at home or in non-medical settings - but our healthcare system does not recognize it. Universal Family Care complements universal healthcare by filling in the gaps. You could send your kid to daycare, or hire someone to look after a loved one without impoverishing yourself to qualify for support.
- 3 It's for those who **receive care** and also those who **provide care**.**
When our care infrastructure was built decades ago, it relied on the unrecognized work of women in our families, or the underpaid domestic workforce —mostly women of color. Today's 46 million caregivers include working parents, adult siblings coordinating care from afar, and paid care workers. We need more support that reflects how we live now.
- 4 It makes sure care jobs are **good jobs**.**
Millions of professional child care and home care workers do difficult and skilled work to support our loved ones' health and quality of life. But they aren't paid enough to support their own families! Care workers deserve a living wage, training, benefits, and opportunities for advancement so that if you love this job, you can continue doing it.
- 5 It's **simple** and **streamlined** - and **everyone** contributes and benefits.**
Caregiving is emotionally tough as it is without the stress of navigating bureaucracy or worrying about money in a moment of crisis. UFC would provide a one-stop-shop, and like Social Security, provide peace of mind via a family care fund that we all pay into while also making sure the wealthy pay their fair share.



NOVEMBER 2019 NATIONAL REPORT

BURNING THE CANDLE AT BOTH ENDS:

SANDWICH GENERATION CAREGIVING IN THE U.S.



IN PARTNERSHIP WITH



ACKNOWLEDGMENTS

National Alliance for Caregiving and Caring Across Generations are proud to present *Burning the Candle at Both Ends: Sandwich Generation Caregiving in the U.S.* This research was made possible through generous support from Caring Across Generations and from MassMutual's SpecialCareSM program.

Authors

Lisa Weber-Raley, MA: Senior Vice President, Greenwald & Associates

Project Directors

Gabriela Prudencio, MBA, Hunt Research Director, National Alliance for Caregiving

Michael Reese Wittke, MPA, Senior Director, Public Policy & Advocacy, National Alliance for Caregiving

Charlotte Dodge, MPP: Senior Policy Associate, Caring Across Generations

Contributing Editors

C. Grace Whiting, JD, President and CEO, National Alliance for Caregiving

Karen Lindsey Marshall, JD, Director of Advocacy and Engagement, National Alliance for Caregiving

Josephine Kalipeni, MA, MHP, Director of Policy and Partnerships, Caring Across Generations

Antonia Madian, Communications Associate, Caring Across Generations

David Krantz, MA, former Research Director, Greenwald & Associates

Daniel Vance, Research Assistant, Greenwald & Associates

Christina Baydaline, Data Manager, Greenwald & Associates

Advisory Committee

Joe Caldwell, PhD, Brandeis University

Feylyn Lewis, PhD, University of Sussex

Margaret Longacre, PhD, Arcadia University

FOREWORD

By Sarita Gupta, Co-Founder, Caring Across Generations

With this report, we are excited to finally shed light on what many of us have long referred to as sandwich generation caregivers, henceforth referred to as *sandwich caregivers*: those who are caught between the demands of both childcare and caring for an adult family member. This report is a critical tool to educate policymakers and stakeholders on this growing group of family caregivers who live at the heart of a system of care in this country that no longer works for today's families.

For this population in particular, caregiving responsibilities for children and adult family members are forcing families to cut back on work hours and navigate a system of care with little to no formal supports. We know that women, who make up the majority of family caregivers, are especially strained from these competing demands of work and care.

I know all too well that being pulled in both directions can be complicated and overwhelming; I am a working sandwich caregiver. My father was diagnosed with Alzheimer's disease about five years ago. For a while, my mother served as his sole care provider but in recent years she has developed health issues of her own and now relies on my sister and me to navigate both of their care needs as they age. At the same time that I'm caring for my parents, I also have a young daughter to raise.

Like many families, both my husband and I work full time outside of the home. According to the Department of Labor, in roughly 60 percent of two-parent households with children under age 18, both parents work.¹ For some parents, it is a choice, but for most, two incomes are required to make ends meet. With both parents working, families must rely on a system of childcare that is unaffordable for most.

On the other end of the spectrum, in an unprecedented demographic shift, 10,000 baby boomers reach retirement age *every single day*.² Stagnant incomes and diminished savings are no match for longer life spans, the rising cost of treating chronic medical conditions, and long-term care needs. Often the financial burden of care falls directly onto family caregivers, who, on average, spend almost \$7,000³ out-of-pocket per year on caregiving. It's not hard to see how we, the sandwich caregivers, are being squeezed like never before.

Millions of us are headed down this road, attempting to juggle the challenges of caring for their children, their aging parents, and family members. Our system for supporting caregiving as a whole – from childcare to long-term care – is broken and we face a real care crisis that affects us all. The time is now for us to come together and work with policymakers to build a flexible system of care that reflects the financial and cultural realities of today's modern families and sandwich caregivers. We simply cannot afford to simply maintain the current status quo.

¹Bureau of Labor Statistics, The Department of Labor, "Employment in Families With Children in 2016," *The Economics Daily*, <https://www.bls.gov/opub/ted/2017/employment-in-families-with-children-in-2016.htm>.

²D'Vera Cohen and Paul Taylor, "Baby Boomers Approach 65 – Glumly," *The Pew Research Center*, <https://www.pewsocialtrends.org/2010/12/20/baby-boomers-approach-65-glumly/>.

³AARP, "Surprising Out-of-Pocket Costs for Caregivers," *Financial and Legal*, <https://www.aarp.org/caregiving/financial-legal/info-2017/out-of-pocket-cost-report.html>.

TABLE OF CONTENTS

02	Acknowledgments	15	A Team-Based Care Approach
02	Authors	15	Primary Reasons Recipient Needs Care
02	Project Directors	16	Reasons for Requiring Care
02	Contributing Editors	16	Caregiving Activities and Intensity of Care
02	Advisory Committee	16	Length of Care
02	Foreword	17	Activities of Daily Living (ADLs)
	By Sarita Gupta, Co-Founder, Caring Across Generations	18	Instrumental Activities of Daily Living (IADLs)
04	Introduction	18	Medical/Nursing Tasks
	By C. Grace Whiting, President & CEO, National Alliance for Caregiving	19	Caregiving Support Activities
05	Methodology	20	Hours of Care
05	Study Limitations	20	Burden of Care Index
06	Reading This Report	20	Strain and Stress
07	Key Findings	21	Working Caregivers
08	Policy Recommendations	22	Snapshot: Childcare and Sandwich Caregivers
09	Detailed Findings	23	Workplace Support
09	Prevalence	23	Information and Support Needs
09	Basics of the Caregiving Situation	23	Service Costs, Policy, and Long-Range Planning
09	Age, Gender, Race/Ethnicity of the Caregiver	24	Spotlight: Gen X Sandwich Caregivers
10	Duration of Care	25	Expert Commentary
10	Relationship	25	Feylyn Lewis, PhD, University of Sussex: Young Caregivers
11	Spotlight: Caring for a Parent When Kids Are at Home	26	Margaret L. Longacre, PhD; Department of Public Health, College of Health Sciences, Arcadia University: Health Systems
12	Distance and Location	28	Joe Caldwell, PhD; Community Living Policy Center, Lurie Institute for Disability Policy, Brandeis University: Disability
12	Rural Status	29	Demographic Profile
13	Spotlight: Hispanic/Latino Sandwich Caregivers		
14	Spotlight: Millennial Sandwich Caregivers		

INTRODUCTION

By C. Grace Whiting, President & CEO, National Alliance for Caregiving

Recently, I was sitting in a presentation on sandwich caregivers – those unpaid friends or family members who are juggling care for children with care for an adult. “I feel less like a sandwich and more like a panini,” one woman shared. It is true that now, more than ever, families are feeling the squeeze and that they need support.



This report shines a light on the current state of sandwich caregiving. Impacting at least 11 million Americans, sandwich caregivers represent that generation that so often gets lost in headlines between baby boomers and millennials. The typical sandwich caregiver was born between 1965-1980, and is, on average, 41 years old, about 12 years younger than caregivers without children living in the home. These families are asked to juggle numerous care responsibilities. The way families care for one another is changing, too – rather than the nuclear family of the mid-twentieth century, most households are now dual-income without a dedicated individual to take on care work.⁴ Caregiving becomes a chore, as families try to fit caregiving in between school, work, self-care, and other responsibilities of daily living.

Typically, when it becomes difficult to balance caregiving with work, or if the demands of work come into conflict with one's caregiving responsibilities, caregivers are forced to compromise. The findings outlined in this report support the need for policymakers to find sustainable solutions, such as workplace flexibility, long-term care improvements, and a robust national infrastructure sufficient to support and augment the care provided by caregivers across the lifespan. Robust family friendly policies will not only provide support to today's sandwich caregivers, but also future generations. After all, the need to balance life and care with increasing demands on time and family is a challenge facing Gen X that may repeat as the millennial generation comes of age.

To tell the story of the sandwich caregiver, we partnered with Caring Across Generations and three researchers serving in our Advisory Committee: Joe Caldwell, PhD, Brandeis University; Feylyn Lewis, PhD, University of Sussex; and, Margaret Longacre, PhD, Arcadia University, who all graciously ensured that the most significant data was being shared with the reader. The Advisory Committee also drafted “Expert Commentary” on this subpopulation based on their own research and professional experience. These sections include data from sources beyond *Caregiving in the U.S. 2015*⁵ to help broaden the scope of the report. They each focus on key aspects of caregiving that can be used to further the work being done to understand and address the needs of this group of caregivers.

With grants from Caring Across Generations and Mass Mutual, we are honored to share this report on sandwich caregivers. We look forward to continuing the conversation on how to foster research and advocacy for caregivers. Let us know your thoughts as we embark on this endeavor, either by emailing NAC's Hunt Research Director, Gabriela Prudencio, at gabriela@caregiving.org, or by calling 202-918-1022.

⁴“The Rise in Dual-Income Families,” Pew Research Center. https://www.pewresearch.org/fact-tank/2019/06/12/fathers-day-facts/ft_16-06-14_fathersday_dual_income/.

⁵The National Alliance for Caregiving and AARP Public Policy Institute, “Caregiving in the U.S. 2015,” *Caregiving in America*. <https://www.caregiving.org/caregiving2015/>.

METHODOLOGY

Caregiving in the U.S. 2015 is a nationally representative study of adults, ages 18 and older, conducted in late 2014 using GfK's probability-based online KnowledgePanel®.⁶ *Caregiving in the U.S. 2015* aimed to achieve two goals for the National Alliance for Caregiving and the AARP Public Policy Institute. The first goal was to estimate the prevalence of caregiving for persons of any age as a share of both the U.S. population and U.S. households. The second was to describe the characteristics, roles, and needs among caregivers who provide care to an adult age 18 or older.⁷

To qualify for the study, respondents must have self-identified as a current unpaid caregiver of an adult or one who has provided care at some point during the 12 months prior to the survey. Self-identified caregivers also had to report providing help with at least one Activity of Daily Living (ADL), Instrumental Activity of Daily Living (IADL), or medical/nursing task. Surveys were conducted between September 18 and November 5, 2014 and averaged 24 minutes to complete.

This paper examines the responses of 328 sandwich caregivers identified in the *Caregiving in the U.S. 2015* study, with select comparisons to 906 caregivers who had no children living in their home (non-sandwich caregivers). Results about select subgroups of sandwich caregivers are presented as a snapshot or profile.⁸

Caregiving in the U.S. 2015 used a complex, six-part sampling design, with four parts comprising the nationally-representative sample. All data about sandwich caregivers and the comparison group of non-sandwich caregivers are drawn from this four-part nationally-representative sample and use the individual-level weight as developed for analysis of that sample.

STUDY LIMITATIONS

As you consider findings in this report, it is important to consider some limitations. These are primarily due to availability of data from the larger study, *Caregiving in the U.S. 2015*. The current report defines sandwich caregiver as an individual providing care to an adult of any age while simultaneously having a child under 18 years of age residing in their home. Other studies, however, have varied in how this population is conceptualized and defined. For example, a major study by PEW in 2013 defined sandwich caregivers as individuals providing financial support to a child under 18 or an adult child (18 or over) while also caring for a parent 65 and older.⁹ Of particular note, the PEW study emphasized the rise of intergenerational families in the U.S., where adult relatives are continuing to reside with parents or rely on them for financial support.

In addition to intergenerational families, caregivers of adults (over 18) with disabilities may also be caring for aging parents or other older individuals. It is common for adults with lifelong intellectual and developmental disabilities and significant mental illness to co-reside with aging parents.¹⁰ In these situations, aging parents may provide care to an aging spouse. Siblings, who typically take over care when aging parents can no longer continue, may even find themselves in a situation where they face triple caregiving roles: caring for their adult sibling with disabilities, an aging parent, and their own children. These variations and other situations of so-called "compound" caregiving are not fully captured in this report.¹¹



To qualify for the study, respondents must have self-identified as an unpaid caregiver of an adult either currently or at some point in the 12 months prior to the survey.

⁶GfK's KnowledgePanel® is a probability-based online panel, designed to be representative of the U.S. population.

⁷To see complete study results, questionnaires, or detailed study methodology, please see *Caregiving in the U.S. 2015* full report and Appendices A and B. <https://www.caregiving.org/research/caregivingusa/>.

⁸Note that this report features a Snapshot titled *Childcare and Sandwich Caregivers*. This snapshot does not include the experiences of any of the 328 sandwich caregivers identified in the *Caregiving in the U.S. 2015* report.

⁹Kim Parker and Eileen Patten, "The Sandwich Generation: Rising Financial Burdens for Middle-Aged Americans," *The Pew Research Center*. <https://www.pewsocialtrends.org/2013/01/30/the-sandwich-generation/>.

¹⁰Tamar Heller, Joe Caldwell, and Alan Factor, "Aging Family Caregivers: Policies and Practices," *Mental Retardation and Developmental Disabilities Research Reviews*, 13, no. 2 (2007), 136-142.

¹¹Elizabeth A. Perkins and William E. Haley, "Compound Caregiving: When Lifelong Caregivers Undertake Additional Caregiving Roles," *Rehabilitation Psychology*, 55, no. 4 (2010), 409-417.

Another limitation to consider is the lack of detail about the child caregiving situation. No information is available about the age of the child, the relationship, whether the child has a disability or special health condition, or if care is being provided to multiple children. Given the changing demographics of American families, some individuals may provide shared childcare to children not living in the same home. Additional information about these households would provide opportunities to examine, in greater detail, how these characteristics impacted responses.¹²

READING THIS REPORT

This report, in select places, compares the experience of sandwich caregivers to that of caregivers who do not have any children or grandchildren under the age of 18 living in their home – for brevity, referred to as non-sandwich caregivers. This report also highlights subgroups of sandwich caregivers to better understand the unique and diverse experiences of these caregivers.

All demographic information about caregivers is based on the period of caregiving of the provider – either current caregiving or caregiving provided in the past 12 months. All data are in reference to the caregivers' experience and situation at the time of survey or 12 months prior to it.

The sample sizes (n) noted in each table or graphic represent the unweighted number of respondents who answered each question. All reported results shown are weighted and rounded to the nearest whole number. Note that “don't know” or “refused to answer” responses are not always presented in charts and tables, therefore, some charts and tables will not total 100 percent. The results for multiple-response questions may total more than 100 percent. All results were tested for statistical significance at the 95 percent confidence level using the appropriate test, depending on the result presented.¹³ All differences between sandwich caregivers and non-sandwich caregivers discussed in the text are statistically significant. In all tables and graphs, a notation of * shown on a result indicates that the value is statistically significantly higher than that of the comparison group.

This report compares the experience of sandwich caregiving to those who are providing unpaid care to an adult but who do *not* have any children or grandchildren under the age of 18 living in their home.



¹²The limitations section of this study was authored by Joseph Caldwell, PhD, Lurie Institute for Disability Policy, Brandeis University.

¹³Statistical testing applied to comparison of dementia caregivers and non-dementia caregivers were: Independent t-test for means with assumption of equal variances and Independent z-test for percentages with assumption of unpooled proportions.

KEY FINDINGS

- We estimate **11 million caregivers (28 percent of all caregivers) provide unpaid care to an adult while also caring for children living in their home**. We refer to this sub-group as sandwich caregivers.
- A distinctive characteristic of sandwich caregivers is that they are more ethnically diverse, younger, and newer to caregiving. At an average age of 41, these caregivers are about 12 years younger than caregivers without children at home and are often from the Gen X and millennial generations.
- Sandwich caregivers are often a part of a care team. About half of sandwich caregivers report having help from other unpaid caregivers (53 percent) and one in four report receiving help from paid aides or services (26 percent) in order to care for their adult care recipient.
- Sandwich caregivers help their care recipient with Instrumental Activities of Daily Living (IADLs), Activities of Daily Living (ADLs), or more complex and skilled medical/nursing tasks. Sandwich caregivers most commonly help with transportation (80 percent), housework (76 percent), and preparing meals (62 percent). Very few are prepared to do the medical/nursing tasks (19 percent).
- These sandwich caregivers are **often juggling work responsibilities** in addition to caring for both an adult and a child in their home. They report dedicating, on average, 22 hours per week to caring for their loved one.
- **Sandwich caregivers often lack workplace benefits**, such as paid leave, that might help them manage their multiple responsibilities. As a result, sandwich caregivers miss work or cut down work hours during their prime working and long-term saving years. One in five sandwich caregivers report feeling financial strain as a result of being a caregiver.
- Not surprisingly, roughly a third of sandwich caregivers report a high level of emotional stress, and a fifth of these caregivers report a high level of financial and physical strain. Among these sandwich caregivers, those co-residing with their care recipients and those caring for a close relative are most likely to report high strain.
- Younger sandwich caregivers are more likely to receive preparation than older, non-sandwich caregivers – perhaps because of their newer ‘tenure’ as caregivers, or because they grew up in an era where information has always been accessible, often at their fingertips.
- 85 percent of sandwich caregivers report needing more information on at least one caregiving related topic, including managing stress (44 percent).
- About 25 percent of sandwich caregivers said it was difficult to find affordable services for their care recipient.
- Rural caregivers were more likely to report that their care recipients live in their own home (66 percent) or alone (35 percent).
- Rural caregivers living and caring in rural areas find themselves with few supports or services, such as transportation (15 percent) and respite care (17 percent), meaning responsibility for performing these services falls on the caregiver.
- Among financial supports programs to offset caregiving related costs, sandwich caregivers found paid-care programs that compensate caregivers for some of their time (33 percent) and income tax credit programs (31 percent) most appealing.



We estimate 11 million caregivers (28 percent of all caregivers) provide unpaid care to an adult while also caring for children living in their home.



Policy Consideration:

Development and Greater Implementation of Culturally Competent, Evidence-Based Interventions that Promote Caregiver Health and Well-Being.

POLICY RECOMMENDATIONS

To ensure a wholistic approach in addressing the needs and challenges of sandwich generation caregivers across the entire lifespan, we have identified a set of policy recommendations, which you can find here. We have also inserted a variety of policy considerations throughout the report to incite further discussion.

Address Needed Improvements to Our Long-Term Care System

- Lift asset requirements as a qualifier for Medicaid eligibility.
- Document and educate caregivers upon discharge of those needing care from care facilities.
- Add non-acute long-term services and supports with a focus on home and community-based services to Medicare.
- Create a national strategy to recruit and retain direct-care workers and increase the national wage floor so that direct-care workers earn a living wage and have access to additional training.
- Provide an expansive definition of family to include individuals with which the employee has a close association that is the equivalent to a familial relationship, such as a child, parent, domestic partner, grandparent, grandchild, or sibling.

Provide Paid Family and Medical Leave Across the Lifespan

- Provide all workers with the ability to earn paid time away from work to care for themselves or a family member. Ensure availability and access to all employees.
- Cover a minimum of 12 paid weeks of leave.
- Replace at least 67 percent of a workers' average weekly wages while on leave.
- Include provisions that protect workers against discrimination or retaliation for needing or taking leave.
- Expand the definition of family to include individuals whom the employee considers to be family, in equivalent status to a familial relationship, such as a child, parent, domestic partner, grandparent, grandchild, or sibling.

Provide Family Caregiver Tax Credits

- Provide a refundable tax credit to help families defray the cost of caregiving roles and responsibilities.
- Credits must be available to caregivers across the lifespan.
- Credits must cover all caregiving-related expenses.

Increase Access to Affordable Quality Childcare and Early Learning Options

- Address childcare needs for children 0-13.
- Address populations that are especially challenged in finding childcare such as families with non-traditional work hours and families with a child with a disability.
- Allow families to have childcare options in the setting of their choice without excluding family, friend, or neighbor providers.
- Provide all families with access to quality childcare. Any quality investments and requirements for programs must take into consideration both families and child providers, including the need to compensate childcare providers with a living wage.

Increase Use and Standardize Caregiver Assessment Tools

- Ensure all health systems and caregiver support programs work with appropriate stakeholders to increase the use of evidence-based caregiver assessment tools.
- Assessment tools should determine specific problems, needs, strengths, and resources of family caregivers, and provide referrals for family caregiver supportive services.

Social Security Caregiver Credit Act

- Provide a Social Security credit so that time taken off from work to provide care would count towards future Social Security benefits.
- Ensure that caregivers are not losing Social Security retirement benefits while taking time out of the workforce to care for a loved one.



DETAILED FINDINGS

PREVALENCE

For this report, sandwich generation caregivers are defined as those who provide unpaid care to an adult, while also having responsibility for children living in their home, referred to in this report for shorthand as sandwich caregivers. *Caregiving in the U.S. 2015* – from which the data for this report are drawn – estimates that 39.8 million Americans are providing care to an adult age 18 or older. Approximately 28 percent of those caregivers (or 11 million caregivers) also had a child or grandchild living in their home while also providing care to an adult.

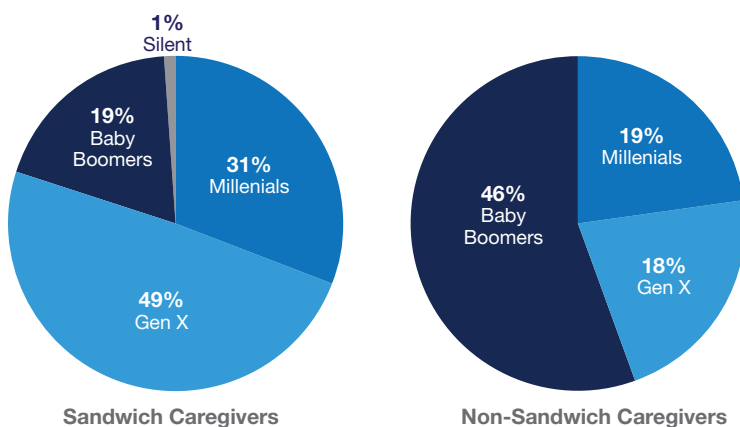
For this report, sandwich caregivers are those who provide unpaid care to an adult, while also having responsibility for children living in their home.

BASICS OF THE CAREGIVING SITUATION

Age, Gender, Race/Ethnicity of the Caregiver

Approximately three in five sandwich caregivers are female (61 percent), while two in five are male (39 percent). At an average of 41 years of age, sandwich caregivers are about 12 years younger than caregivers without children at home. Eighty percent of sandwich caregivers are millennials (31 percent) and Gen X (49 percent). In comparison, non-sandwich caregivers are predominately baby boomers (46 percent).¹⁴

Figure 1: Generational Profile of Sandwich Caregivers



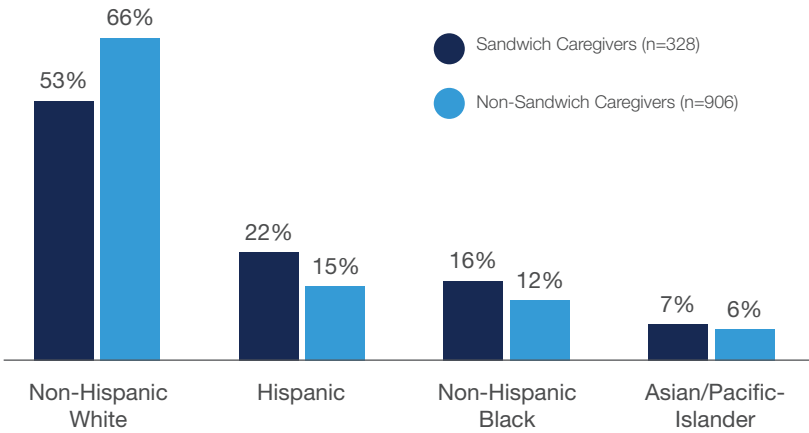
¹⁴For the purposes of this report, generations are based on respondent age reported at the time of the survey in late 2014. Millennials at the time were between 18 and 34 years old, (born between or during 1981 and 1996); Gen X includes those who reported ages between 34 and 51 (born between or during 1964 and 1980); baby boomers were 51 – 70 years old (born between or during 1944 and 1963).



Half of sandwich caregivers are caring for a parent or parent-in-law (53%).

Sandwich caregivers are more racially and/or ethnically diverse than non-sandwich caregivers. About one in five are either Hispanic (22 percent) or non-Hispanic Black (16 percent) and about half are non-Hispanic White (53 percent). This is in line with the race/ethnicity composition of the United States generally, where younger generations are more diverse than older generations.¹⁵

Figure 2: Racial/Ethnic Diversity of Sandwich Caregivers Compared to Non-Sandwich Caregivers

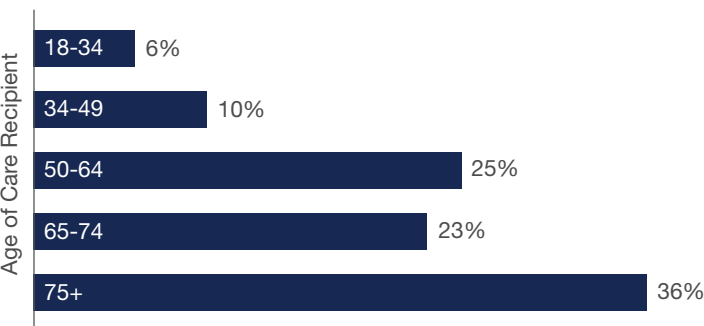


Please see Demographic Profile (beginning on page 29) for additional demographic information about sandwich and non-sandwich caregivers.

Duration of care

Approximately 67 percent of sandwich caregivers are caring for a woman who is 66 years old, on average, five years younger than non-sandwich caregivers’ care recipients (71 years old, on average).

Figure 3: Care Recipient Age (n=328)



Relationship

Half of sandwich caregivers are caring for a parent or parent-in-law (53 percent). About one in ten provide care to a grandparent or grandparent in-law (11 percent) or to a spouse (8 percent).¹⁶ Gen X and millennial sandwich caregivers reported caring for a friend or neighbor (15 percent vs. 8 percent of baby boomers). Millennial sandwich caregivers are more often providing care to a grandparent or grandparent-in-law (23 percent vs. 10 percent of Gen X sandwich caregivers). Lower income sandwich caregivers are more than twice as likely to care for a friend or neighbor (18 percent vs. 8 percent of those with \$50,000 or more in household income).

¹⁶Analyses of sandwich caregivers by relationship suggest that spousal caregivers have an especially difficult time in providing care while also having children in their home, with 41 percent indicating that their caregiving duties create a high level of financial strain. Due to low sample size among this group (n=27), however, we interpret these data with caution and feel further research is needed to understand the unique demands of caregiving for a spouse while also raising children.



NATURE OF THE CAREGIVER

- Typically, a 41-year-old daughter caring for her 70-year-old mother. 81 percent of these sandwich caregivers live with their care recipients or within 20 minutes.
- Has provided care for 3.2 years, on average.
- Fifty-two percent are also employed while providing care.

CARE SITUATION

- Provides 24 hours of care each week, on average.
- More often has helped with managing finances (58 percent) and advocating with providers (56 percent).

IMPACT ON THE CAREGIVER

- Forty percent face high levels of emotional stress.
- Twenty-three percent report high financial strain.
- Have other unpaid caregivers helping (58 percent).

A hallmark of these sandwich caregivers is the proximity of the caregiver and their parent: 82 percent live within 20 minutes of their parent (including one third who live in the same home). These sandwich caregivers are mostly women (61 percent) caring for their mother or mother-in-law (70 percent). Most commonly, the parent needs care due to surgery or wounds (11 percent), “old age” or frailty (9 percent), Alzheimer’s confusion or dementia (9 percent), or diabetes (8 percent).

More than three in five sandwich caregivers perform medical/nursing tasks (63 percent), with one in five reporting difficulty doing so. They perform 1.8 ADLs and 4.3 IADLs and spend 24 hours a week providing care, on average. Perhaps because they are caring for a parent, they often take on the businesses of care: managing finances, paying bills, filling out insurance claims (58 percent), and advocating for their parent with providers or agencies (56 percent).

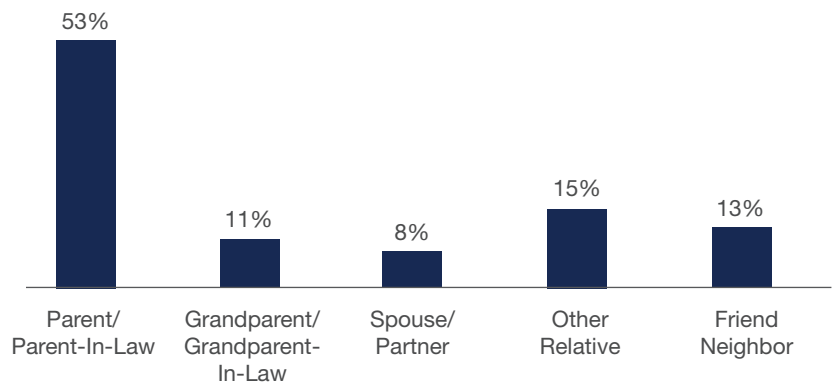
Four in ten report a high level of emotional stress and nearly half want more help or information about managing that stress (48 percent). One in four report a high level of financial strain due to caring for their parent (23 percent), more than double the financial strain of caring for another relative or friend (10 percent). Around half report working while also providing care to their parent (52 percent). Many have help in providing care: 58 percent report having at least one other unpaid caregiver helping their parent; only 26 percent say they alone are the primary caregiver for their parent.

SPOTLIGHT: CARING FOR A PARENT WHEN KIDS ARE AT HOME

This section shines a spotlight on those caregivers who have children under 18 living at home while also caring for a parent or parent in-law (as opposed to a spouse, any other relative, friend, or neighbor). Of the sandwich caregivers identified in this report, approximately 43 percent are caring for a parent and have children in the home.



Figure 4: Sandwich Caregiver and Recipient Relationship (n=328)



INSIGHTS

Hispanic sandwich caregivers more often reported that their care recipient lives with them or in someone else’s home (59 percent compared to 40 percent of non-Hispanic whites).

For sandwich caregivers whose care recipient lives in a rural area, that recipient is more often living in their own home (66 percent vs. 44 percent of non-rural care recipients) and more often living alone (35 percent vs. 20 percent).

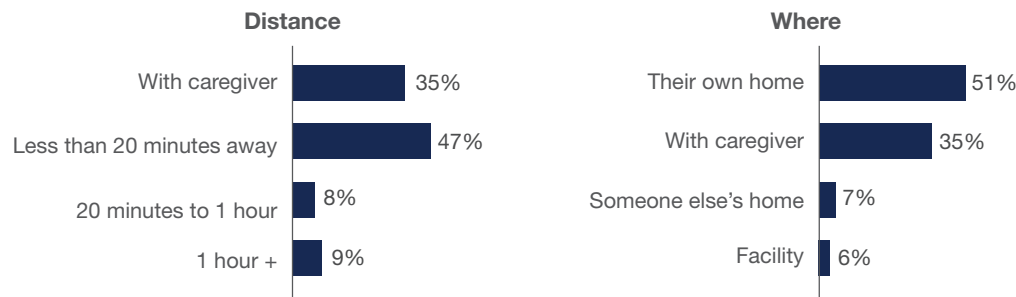
Distance and Location

Sandwich caregivers tend to live close to their care recipients, with 82 percent living with or within twenty minutes of their care recipient (compared to 72 percent of non-sandwich caregivers). Half reported that their care recipient lives in their own home and only 6 percent live in a care community or facility (e.g., independent living or retirement community, assisted living, nursing care, or long-term care facility). Only one in four sandwich caregivers report that their recipient lives alone (25 percent).



Policy Consideration: Increased Funding for Caregiver Programs, such as the National Family Caregiver Support Program and Lifespan Respite

Figure 5: Care Recipient Living Arrangements and Distance from Sandwich Caregiver (n=326)



Rural Status

Fewer than one in five sandwich caregivers live in a rural area (15 percent), although 33 percent reported their care recipient lives in a rural area. Therefore, one in five sandwich caregivers lives in an urban/suburban area and travels to a rural area to provide care (20 percent), doing so more often than non-sandwich caregivers (15 percent). Two out of three sandwich caregivers live and provide care in a suburban/urban setting (65 percent), 13 percent live and provide care in a rural area, and only 2 percent live in a rural setting and travel to the suburbs/city to provide care.

NATURE OF THE CAREGIVER

- Typically, a 40-year-old caring for a 63-year-old, on average.
- Seventy-seven percent typically caring for a female.

CARE SITUATION

- Recipient less often lives alone (15 percent).
- 28.5 hours of care provided weekly, on average.
- More often assist with at least one Activity of Daily Living (74 percent).
- High Burden of Care Index (47 percent).

IMPACT ON THE CAREGIVER

- 66 percent work while providing care for 35.4 hours a week on average.
- 22 percent cut back work hours to provide care.
- 63 percent have household income under \$50,000.

Hispanic sandwich caregivers are slightly younger on average, reflecting some general demographic trends in the U.S. population as a whole. Hispanic sandwich caregivers have a relatively demanding care situation: they spend a high number of hours providing care weekly (28.5 hours on average), more often perform Activities of Daily Living (74 percent), and have a relatively high Burden of Care (47 percent vs. 29 percent of non-Hispanic whites).

Hispanic sandwich caregivers, however, reported high emotional stress as a result of caregiving less often (30 percent vs. 41 percent of non-Hispanic whites). The impact of this demanding care situation may be eased by the many hands around to help: few care recipients live alone (15 percent vs. 28 percent for non-Hispanics) and many report the presence of other unpaid caregivers (60 percent).

While 66 percent have worked in the past year while providing care, 22 percent report having to cut back their work hours to provide care (compared to 9 percent of non-Hispanic whites). The median household income of Hispanic sandwich caregivers is \$40,700, about \$23,000 less than non-Hispanic whites; yet only 18 percent of Hispanic sandwich caregivers report high financial strain from caregiving (compared to 21 percent of non-Hispanic whites).



SPOTLIGHT: HISPANIC/ LATINO SANDWICH CAREGIVERS

**Approximately one
in five sandwich
caregivers are
Hispanic/Latino
(22 percent).**



¹⁴Hispanic/Latino sandwich caregivers tend to be younger than sandwich caregivers overall (40 years old on average vs 42 for non-Hispanics) and their care recipients tend to be younger as well (63 years old on average vs 67 for non-Hispanics). According to Pew Research Center, nearly half of U.S.-born Latinos are under 18, and 58% are Millennials or younger: <http://www.pewhispanic.org/2016/04/20/the-nations-latino-population-is-defined-by-its-youth/>. Latinos tend to have children at a younger age too, potentially yielding younger



SPOTLIGHT: MILLENNIAL SANDWICH CAREGIVERS

Nearly a third (31 percent) of sandwich caregivers are millennials (age 18 to 33 at the time of caregiving in late 2014).^{*} The nature of their caregiving is distinct from other sandwich caregivers.



NATURE OF THE CAREGIVER

- Typically, a 27-year-old caring for someone 60 years old, on average.
- 34 percent care for a parent; 23 percent a grandparent; 16 percent a friend or neighbor.
- Has been providing care for 2.1 years, on average.

CARE SITUATION

- Provides 17.3 hours of care per week, on average.
- Less often performing medical/nursing tasks (52 percent).
- Less often arranging outside services (22 percent), advocating for recipient (35 percent), or communicating with care providers (51 percent).

IMPACT ON THE CAREGIVER

- 76 percent are employed while providing care.
- Only 44 percent have flexible work hours, 31 percent have sick leave, and 13 percent have employee support programs.

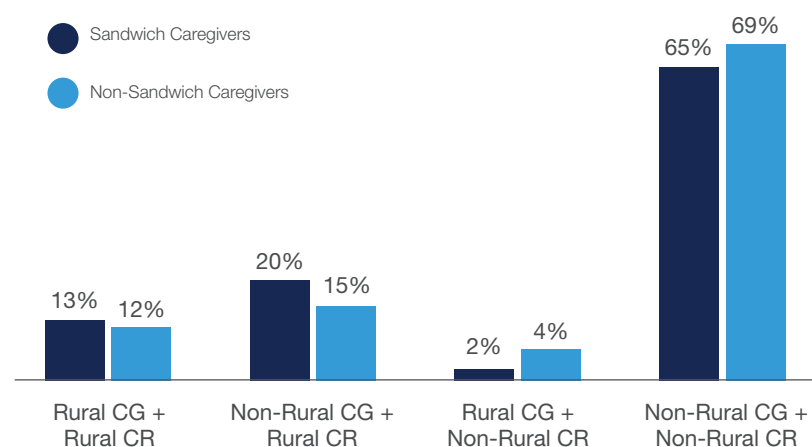
One in three millennial sandwich caregivers provide care for a parent (34 percent) and 23 percent care for a grandparent (more than older generation caregivers), indicating an intergenerational aspect to millennial caregiving. Millennials have been providing care for a shorter amount of time (2.1 years), on average, and more often expect it to be a temporary role, with just 37 percent expecting to be caring for any adult five years in the future.

Millennial sandwich caregivers tend to play a supporting role in caregiving for their adult care recipient, providing 17.3 hours of care per week and helping less often with formal care or services and supports tasks such as: medical/nursing tasks (52 percent compared to 72 percent of baby boomer sandwich caregivers), arranging outside services (22 percent vs. 45 percent of baby boomer sandwich caregivers), advocating for their care recipient (35 percent vs. 57 percent of baby boomer sandwich caregivers), or communicating with care professionals (51 percent vs. 73 percent of baby boomer sandwich caregivers). On average, millennial sandwich caregivers help with 1.7 Activities of Daily Living and 4.0 Instrumental Activities of Daily Living weekly.

The majority of millennial sandwich caregivers work while providing care (76 percent), but fewer report having workplace benefits like flexible work hours (44 percent), paid sick days (31 percent), or employee support programs (13 percent). Millennial sandwich caregivers report comparable levels of financial strain (15 percent high strain).

^{*}For further reading on Millennials as caregivers, see: Flinn, Brendan. *Millennials: The Emerging Generation of Family Caregivers*. May 2018, AARP Public Policy Institute.

Figure 6: Urbanicity of Sandwich Caregiver (CG) and Care Recipient (CR) (n=328)

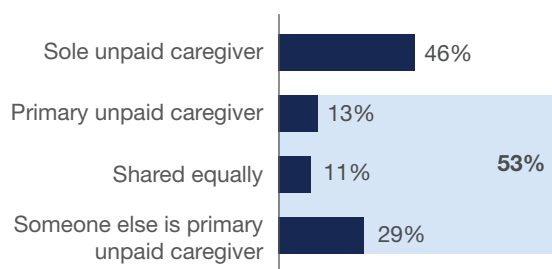


A Team-Based Care Approach

Often, sandwich caregivers are a part of a network of people who contribute to the care of the recipient. Slightly more than half indicated that someone else has provided unpaid care during the last twelve months (53 percent), including 13 percent who indicated that they are the primary unpaid caregiver among others, 11 percent who shared caregiving equally with others, and 29 percent who reported that someone else provided the bulk of unpaid care.

A care team may include a direct care worker as well. In fact, 26 percent of sandwich caregivers reported employing a direct care worker, such as home health aides or housekeepers. Nearly 19 percent of sandwich caregivers reported having difficulty coordinating care among all the care providers, payers, and servicers of their care recipient. Sandwich caregivers who provide the most care – 20 or more hours each week – are especially likely to have difficulty with care coordination (29 percent).

Figure 7: Caregiving Responsibility (n=328)



Primary Reasons Recipient Needs Care

Sandwich caregivers indicate a variety of main conditions or illnesses prompting the need for care. Most common is aging or frailty (12 percent), followed by wounds or surgery (10 percent), mobility issues (7 percent), mental illness or behavioral health issues (7 percent), or diabetes (7 percent).¹⁸

INCREASED BURDEN ON RURAL CAREGIVERS

For the 13 percent of sandwich caregivers who live and provide care in a rural area, the surrounding support can be limited. Fewer than half have other unpaid caregivers helping out (48 percent) and only 20 percent reported that their recipient has paid help.

Rural sandwich caregivers rarely reported their recipient lived in a facility of some sort (2 percent)¹⁷ and also reported using low levels of services and supports, such as respite care (17 percent) or transportation services (15 percent).

Sandwich caregivers may be making up for service shortfalls by doing more themselves: 38 percent reported having made home modifications in order to provide care. They also reported that they perform 21 hours of care each week, on average.

¹⁷Facility includes an independent living or retirement community, assisted living, or nursing home.

¹⁸Respondents were only allowed to pick one main condition or illness, although many respondents provide care for multiple conditions. For this table, only conditions affecting 6 percent or more of care recipients were listed; sixteen other conditions affect between 1 percent and 5 percent of care recipients each.



INSIGHTS

Baby boomer sandwich caregivers are more often the primary caregiver, serving either as the sole caregiver, or providing the highest amount of care among unpaid caregivers (68 percent vs. 52 percent of millennials). However, baby boomers are more often providing care to a close relative (e.g., spouse, parent/parent-in-law, or adult child) while millennial sandwich caregivers care for a more diverse set of adults (including grandparents and non-relatives).

Sandwich caregivers who co-reside with their care recipient more often are the primary caregivers (83 percent compared to 47 percent of those not living together).

Figure 8: Main Condition for Which Recipient Requires Care

"Old Age" / frailty	12%
Wounds or surgery	10%
Mobility issues	7%
Mental illness or behavior health issues	7%
Diabetes	7%
Cancer	6%
Back problems	6%
Alzheimer's confusion or dementia	6%

Although only 6 percent of sandwich caregivers specify Alzheimer's as the main condition requiring care, 20 percent of sandwich caregivers are providing care to someone who suffers from Alzheimer's or other mental confusion, either as the *main* condition or co-morbid condition.

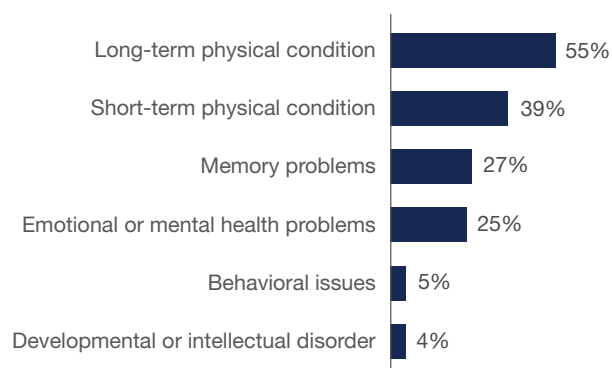


Policy Consideration: Expand and Implement the CARE Act

Reasons for Requiring Care

More broadly, sandwich caregivers most often describe their care recipient's condition as a long-term physical condition (55 percent) requiring ongoing care. Four in ten describe the reason for care as a short-term physical condition, although one in four cite memory problems and emotional or mental health problems.

Figure 9: Care Recipient Condition Categories (n=328)



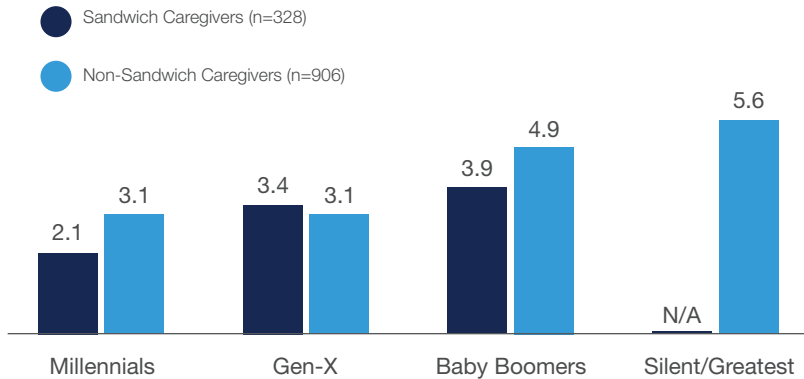
Policy Consideration: Expand Medicaid's Ability to Compensate Family Caregivers

Caregiving Activities and Intensity of Care

Length of Care

The majority of sandwich caregivers have been providing care for five years or less (80 percent), averaging 3.1 years of care (compared to 4.4 years among non-sandwich caregivers). This shorter length of care seems to reflect the younger age of sandwich caregivers. Sandwich caregivers are overwhelmingly millennial and Gen X. Millennials reported a shorter average duration of care at 2.1 years and Gen X reported 3.4 years of care. Baby boomers and the silent/greatest generation, who make up the bulk of caregivers without children in their home, reported an average of 4.9 and 5.6 years of care, respectively. For both sandwich caregivers and those without children in their home, as caregiver age increases, so too does length of time having provided care.

Figure 10: Average Years of Care Provided, Sandwich Caregivers Compared to Non-Sandwich Caregivers

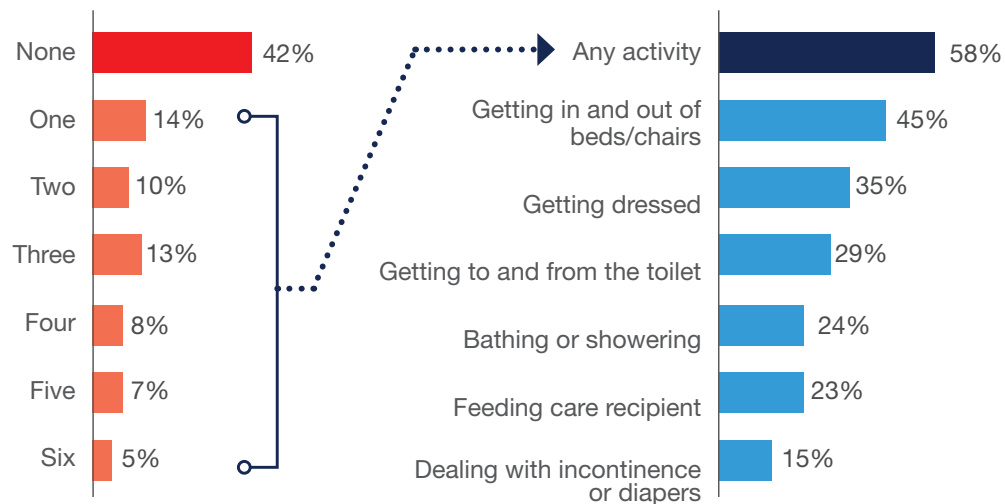


Activities of Daily Living (ADLs)

Activities of Daily Living, or ADLs, are personal care and mobility tasks that an unpaid caregiver may help their adult care recipient with, such as dressing, bathing, or feeding. Three in five sandwich caregivers help their loved one with at least one Activity of Daily Living (ADL), on average, performing 1.7 ADLs (out of a possible six tasks). The most common ADL that caregivers help with is getting in and out of chairs or beds (45 percent).

Sandwich caregivers have been providing care for 3.1 years, on average.

Figure 11: ADLs Performed by Sandwich Caregivers (n=328)





INSIGHTS

Male sandwich caregivers help more often than females with arranging services (37 percent vs. 25 percent), although female sandwich caregivers help more often with meal preparation (69 percent vs. 52 percent).

Baby boomer sandwich caregivers help more often with arranging outside services as well (45 percent), more than both Gen X (27 percent) or millennial (22 percent) sandwich caregivers.

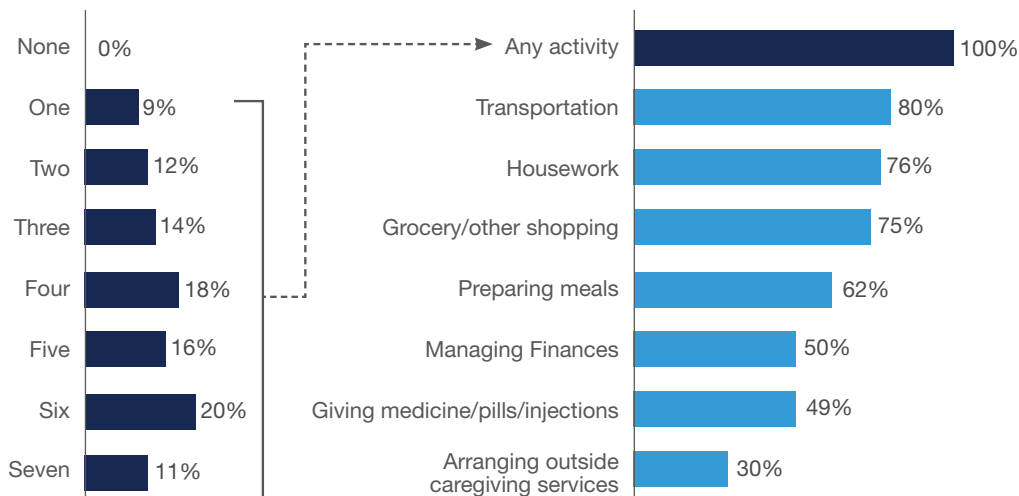
Roughly two in ten sandwich caregivers reported having difficulty assisting with these Activities of Daily Living (18 percent), fewer than non-sandwich caregivers (25 percent). ADLs tend to be physically demanding tasks, so sandwich caregivers' relative youth compared to non-sandwich caregivers may make them more easily able to handle ADLs.

Instrumental Activities of Daily Living (IADLs)

Instrumental Activities of Daily Living, or IADLs, are household tasks that an unpaid caregiver may help their adult care recipient with, such as shopping, chores, or arranging services. On average, sandwich caregivers assist their care recipient with 4.2 Instrumental Activities of Daily Living (IADLs) out of seven total tasks. Sandwich caregivers most commonly help with transportation (80 percent), housework (76 percent), and preparing meals (62 percent).

Sandwich caregivers who are the primary caregiver more often help with IADLs, such as housework (82 percent vs. 68 percent of non-primary sandwich caregivers), shopping (82 percent vs. 63 percent), meal preparation (70 percent vs. 50 percent), and managing finances (62 percent vs. 33 percent).

Figure 12: IADLs Performed by Sandwich Caregivers



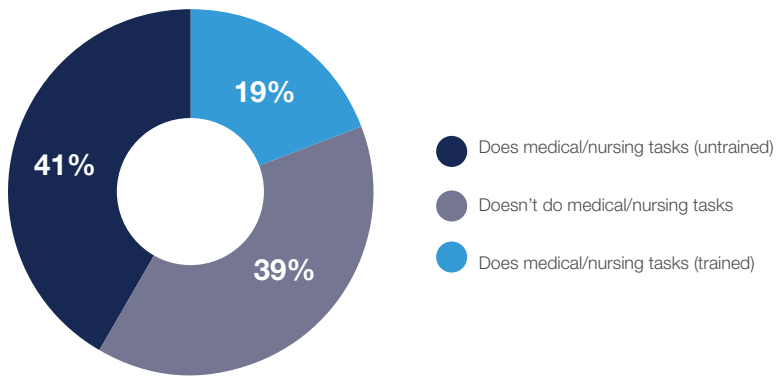
Policy Consideration: Innovate on New Approaches to Support Caregivers (Reasons for Requiring Care, Caregiving Activities and Intensity of Care)

Medical/Nursing Tasks

Nearly three out of five sandwich caregivers help their care recipient with medical/nursing tasks, a body of highly skilled caregiving tasks that may have typically been handled by someone such as a healthcare aide, nurse, or other healthcare professional.¹⁹ Such tasks include, but are not limited to, injections, tube feeding, and catheter and colostomy care.

About four in ten sandwich caregivers reported that they are performing these skilled tasks without any prior preparation or training (41 percent). About one in five reported they have gotten some preparation prior to taking on these tasks, although it is important to note that a minority of caregivers, regardless of their age, are receiving this kind of training. 15 percent of sandwich caregivers say it is difficult to perform medical/nursing tasks.

¹⁹This includes giving medicines like pills, eye drops, or injections; preparing food for special diets; tube feedings; wound care; monitoring blood pressure or blood sugar; helping with incontinence; or, operating equipment like hospital beds, wheelchairs, oxygen tanks, nebulizers, or suctioning tubes. See: Reinhard, S.C., Levine, C., & Samis, S. Home Alone: Family Caregivers Providing Complex Chronic Care. AARP Public Policy Institute & United Hospital Fund, 2012.

Figure 13: Medical/Nursing Tasks and Training

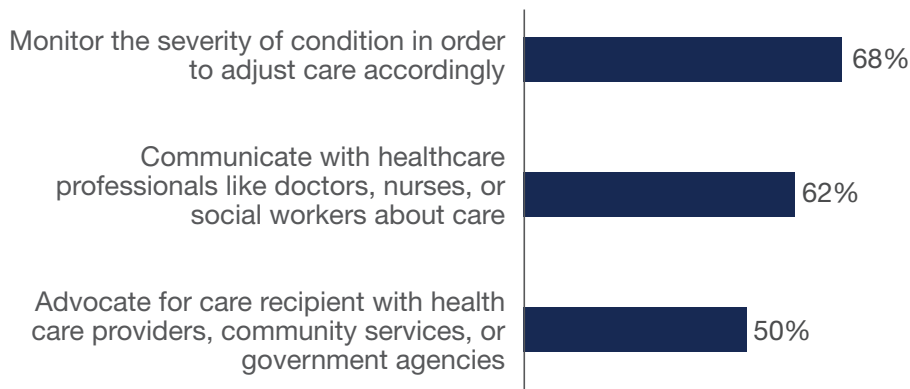
Policy Consideration: Increase Caregiver Training and Education

Caregiving Support Activities

Sandwich caregivers often perform other activities to help support their recipient's care, such as monitoring condition severity (68 percent) and communicating about care with providers (62 percent). Half of sandwich caregivers advocate for their recipient with various providers or services.

In general, sandwich caregivers providing care to a parent/parent-in-law (61 percent) or spouse (56 percent) more often take on the role as an advocate than those caring for a recipient with some other relationship (40 percent). Similarly, sandwich caregivers who are the primary caregiver more often take on the role as an advocate (57 percent vs. 40 percent of non-primary), as well as the role of care communicator (68 percent vs. 53 percent of non-primary).

Sandwich caregivers who are the primary caregiver more often take on the advocate role (57% vs. 40% of non-primary), as well as the role of care communicator (68% vs. 53% of non-primary).

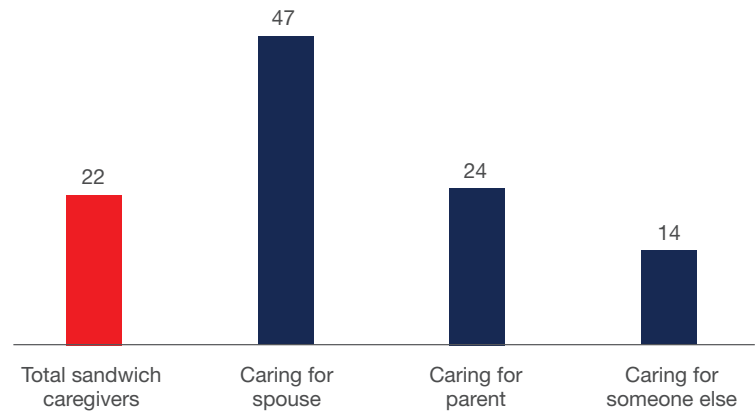
Figure 14: Caregiving Support Activities (n=328)

The Burden of Care Index was created to gauge the complexity and challenges of caregiving. About one in three sandwich caregivers (36%) are in a high burden care situation.

Hours of Care

To assist with the many caregiving tasks they perform, sandwich caregivers must dedicate a considerable portion of their week to caring for their adult recipient: on average, 22 hours per week—the equivalent of a part-time job. Those caring for a spouse spend 47 hours weekly while those caring for a parent/parent-in-law provide care for 24 hours weekly, on average.

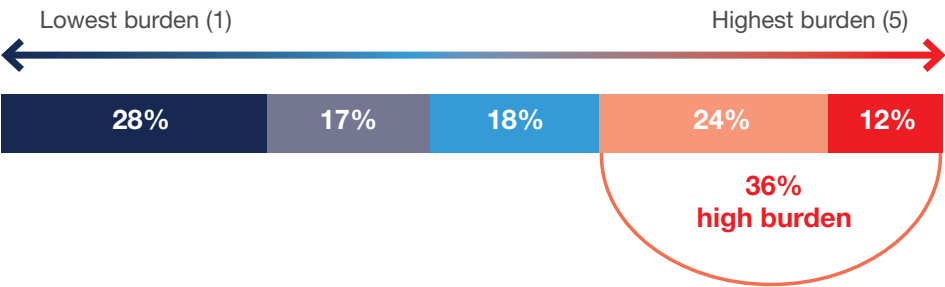
Figure 15: Hours of Care Provided by Sandwich Caregivers by Relationship to Care Recipient (n=328)



Burden of Care Index

The Burden of Care Index was created to gauge the complexity and challenges of caregiving. This index combines information about the care tasks and hours of care performed. This index measures the burden of care situation on the caregiver. About one in three sandwich caregivers (36 percent) are in a high burden care situation. For more information on the construction of the Burden of Care Index, refer to Appendix B of the *Caregiving in the U.S. 2015* report.

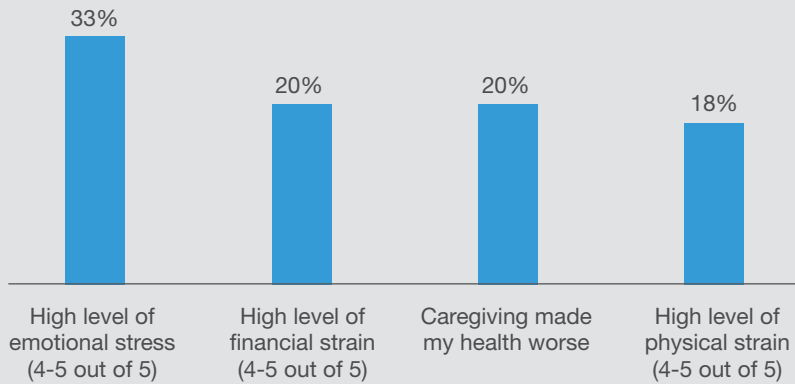
Figure 16: Burden of Care Index Among Sandwich Caregivers (n=328)



Strain and Stress

Many sandwich caregivers face challenges as a result of caring for an adult while also having responsibility for children living in their home. One in three reported a high level of emotional stress due to caregiving (33 percent). One in five reported a high level of financial strain (20 percent) and physical strain (18 percent) as a result of caregiving, while 20 percent reported that caregiving has made their health worse.

²⁰Burden of care is an index combining hours of care and care tasks provided. For detail on calculation of burden of care index, see *Caregiving in the U.S. 2015 Full Report* (www.caregiving.org/caregiving2015).

Figure 17: Stress and Strain on Sandwich Caregivers (n=342)

Slightly more than half of sandwich caregivers feel they had a choice in taking on their role of caregiver (54 percent). For the 45 percent of sandwich caregivers who felt they had no choice, the perception of emotional and physical strain can often be worse.²²

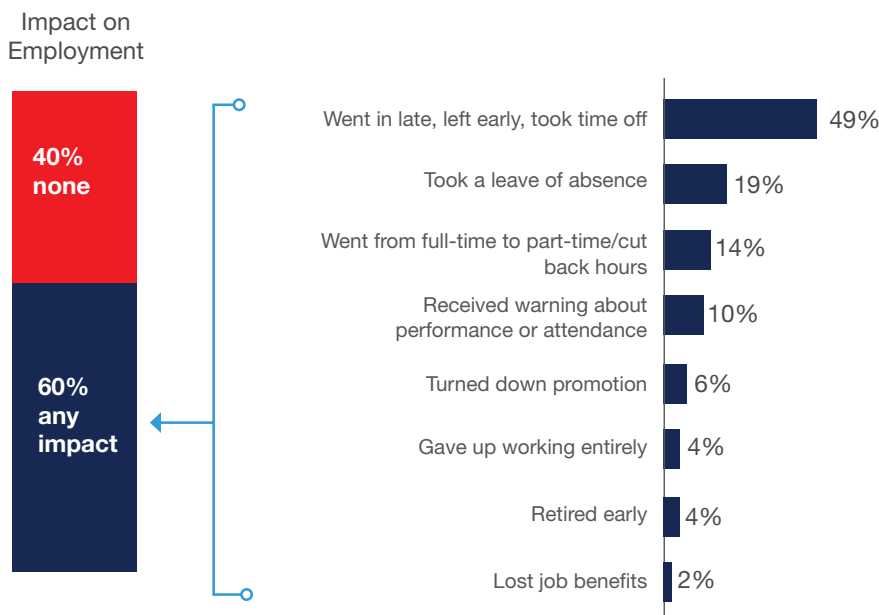
Working Caregivers

Sandwich caregivers have the dual responsibilities of providing care to an adult recipient and a child on top of their work responsibility. Sandwich caregivers more often reported being employed while also caregiving (67 percent), as compared to 57 percent of non-sandwich caregivers. On average, sandwich caregivers work 36 hours per week.

As with all working caregivers, sandwich caregivers find that caregiving can impact their work. Six in ten working sandwich caregivers reported at least one impact on their work (60 percent). This most commonly includes having to go in late, leave early, take time off (49 percent), or taking a leave of absence (19 percent, more common than among working non-sandwich caregivers at 12 percent).



Policy Consideration: Pass the EITC Modernization Act

Figure 18: Impact of Caregiving on Employment

INSIGHTS

Female sandwich caregivers more often reported higher levels of emotional stress (38 percent vs. 27 percent of men).

Sandwich caregivers who live with their care recipient may be especially at risk because of the demands of caring for children and an adult in the same household. They reported higher levels of physical strain (26 percent high strain vs. 13 percent not living together), financial strain (27 percent vs. 16 percent), and a more negative impact on their health (30 percent vs. 14 percent). They also less often feel they had a choice in taking on their role (40 percent vs. 62 percent).

Those caring for a close relative, such as a parent/parent-in-law or spouse, also seem to have greater stress and strain: 40 percent reported high emotional stress and 26 percent say that they are facing high financial strain (compared to 22 percent and 10 percent respectively among those caring for other relatives or non-relatives).

Sandwich caregivers who are caring for a spouse may be at special risk due to their co-residing and close relationship status: 41 percent reported high financial strain and 40 percent say caregiving has negatively impacted their health.²³

²²In *Caregiving in the U.S. 2015*, results showed that having no choice in taking on the caregiving role could result in feeling higher levels of emotional stress and strain, with 53 percent of those who had no choice feeling high levels of emotional stress (compared to 38 percent of caregivers overall).

²³Confidence in these figures as representative of the population is moderate due to a small sample size. Further study of sandwich caregivers caring for a spouse or partner is recommended in order to further investigate the impacts of spousal caregiving with children in the home, especially related to household finances and ability of the caregiver to maintain or improve their own health.

SNAPSHOT: CHILDCARE AND SANDWICH CAREGIVERS



In 2015, Alexis's mother was diagnosed with Alzheimer's disease. At the time, Alexis had an eleven-year-old daughter and a three-year-old son. Alexis's mother needed more care than her father, who was in his 80s and had health problems of his own, was able to provide. Alexis and her husband were both working outside the home and paying a mortgage on a new house. They decided to move in with Alexis's parents to help. The move to Virginia meant additional childcare costs for which they hadn't planned. It also required the family to face new, unexpected challenges related to caregiving. Looking back on this arrangement, Alexis says, "we didn't have a plan." They were simply trying to make it all work.

The lack of affordable, quality childcare is a critical issue for sandwich caregivers like Alexis, who, on top of the cost of care for their children, face out-of-pocket caregiving costs of nearly \$7,000 per year.²⁰ Studies show that access to high-quality, affordable childcare allows families with care responsibilities to continue to work. This is especially relevant to working sandwich caregivers. It is also critical for direct-care workers in order to support their own families, continue to support the families for whom they provide care, and allows them to remain in an industry that is desperate to retain workers.

Looking back, four years into this caregiving arrangement, Alexis says, "we didn't have a plan... we're simply trying to make it all work."

Research has shown, however, that high-quality childcare is unaffordable for many families across all 50 states. The out-of-pocket costs of childcare vary greatly from state to state, but the national average is almost \$10,000 per year.²¹ Of those who qualify for state childcare assistance programs, only one in six children who are eligible actually receive the benefit. Most families are left to shoulder this burden without any public assistance. Families

with children with disabilities, parents of infants and toddlers, those with nontraditional work hours, and families that rely on after school and summer childcare are all faced with additional barriers in accessing high-quality and affordable childcare options that fit their needs.

In short, the lack of access to high-quality, affordable childcare can perpetuate the cycle of poverty and force families of all income levels to make impossible choices between caregiving and work. Affordable and accessible childcare options would allow more sandwich caregivers, especially women, to be able to enter and remain in the workforce. Additional targeted research is needed to further understand the impact of the childcare and early learning landscape on sandwich caregivers.

²⁰AARP. "Surprising Out-of-Pocket Costs for Caregivers," *Financial and Legal*. <https://www.aarp.org/caregiving/financial-legal/info-2017/out-of-pocket-cost-report.html>

²¹Child Care Aware of America. "The US and the High Cost of Child Care: 2018." *Child Care Aware® of America's*, 2018. <https://usa.childcareaware.org/advocacy-public-policy/resources/research/costofcare/>

Workplace Support

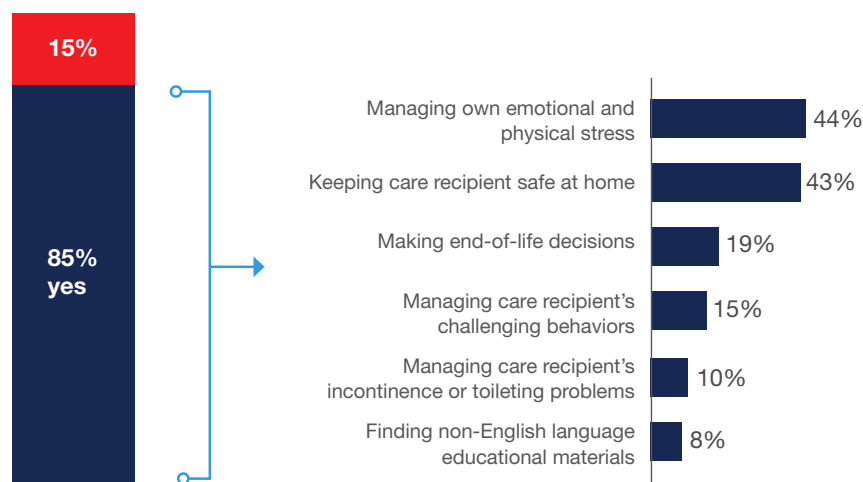
Increased workplace support could help all caregivers, including sandwich caregivers, to juggle these multiple demands on their time. About half of employed sandwich caregivers reported having flexible work hours (54 percent), only 36 percent reported having enough paid leave available to be able to take time off from work to care for a family member. Just one in four are offered telecommuting opportunities (24 percent) or an employee assistance program (EAP) that might help caregivers manage better (26 percent).

Information and Support Needs

Most sandwich caregivers indicate that they need more help or information about at least one caregiving-related topic (85 percent). The most reported needs for support or information are help managing their own emotional and physical stress (44 percent) and help keeping their care recipients safe at home (43 percent). One in five would like more help or information about making end of life decisions (19 percent).

Figure 19: Support for Sandwich Caregivers (n=212)

Seeking help?



Policy Consideration: Increase and Enhance the Existing National Support Infrastructure for Family Caregivers

Service Costs, Policy, and Long-Range Planning

About one in four sandwich caregivers say it is difficult to find affordable services for their care recipient in their local area or community (25 percent rating this need as 4 or 5 on a 5-point scale). When asked about financial support needed to assist in offsetting or paying for care,²⁴ the most popular policies among sandwich caregivers are paid-care programs (33 percent), where caregivers are compensated for some hours of care, or income tax credits (31 percent). Some sandwich caregivers would like relief from the dual burden of employment and caregiving: 13 percent prefer a partially paid leave of absence from work.²⁵ About a quarter of sandwich caregivers, however, were unsure which financial support policy they would find most helpful (23 percent).

Many sandwich caregivers reported a lack of long-range planning, either for themselves or their care recipient. Less than half indicate their care recipient has future care plans in place for living arrangements, health care decisions, or financial matters (43 percent). Even fewer sandwich caregivers have their own long-range plans (37 percent vs. 45 percent of non-sandwich caregivers).



INSIGHTS

The proportion of working sandwich caregivers who experience work impacts is especially pronounced for several groups:

- Those providing 21 or more hours of care each week (74 percent),
- Those who live with their care recipient (70 percent),
- Primary caregivers (66 percent), and
- Gen X sandwich caregivers (65 percent compared to baby boomers at 46 percent).



INSIGHTS

Gen X and baby boomer sandwich caregivers who work seem to have a greater access to benefits such as paid sick days (63 percent vs. 31 percent of millennial working sandwich caregivers) and EAPs (34 percent vs. 13 percent). This is perhaps due to having longer, more established careers.

²⁴Financial support policies described as: 1) a program where caregivers could be paid for at least some of the hours they provide care; 2) an income tax credit to caregivers, to help offset the cost of care; 3) a partially paid leave of absence from work, for caregivers who are employed.

²⁵For further reading on the workplace impacts of caregiving and how employers can address the need for paid leave, see <https://hbr.org/2018/11/caring-for-your-companys-caregivers>.



SPOTLIGHT: GEN X SANDWICH CAREGIVERS

Gen X is the largest group of sandwich caregivers in the U.S., comprising nearly half (49 percent) of all sandwich caregivers.



NATURE OF THE CAREGIVER

- Typically, 42 years old caring for a 67-year-old, on average
- 59 care for a parent or parent-in-law; 14 percent for a friend or neighbor
- Has been providing care for 3.4 years, on average

CARE SITUATION

- Average of 22.6 hours of care provided weekly
- More often in care situation with high Burden of Care (42 percent)
- 56 percent expect to be providing care in the next five years

IMPACT ON THE CAREGIVER

- Most often experience negative work impacts (65 percent)
- 26 percent have taken a leave of absence from work to provide care
- More often reported high financial strain (25 percent)

On average, Gen X sandwich caregivers are 42 years old. Three out of five Gen X sandwich caregivers provide care to a parent or parent-in-law (59 percent), with another 14 percent caring for a friend or neighbor. Three in ten Gen X sandwich caregivers reported that their recipient lives alone (29 percent vs. 18 percent of baby boomer sandwich caregivers).

Most Gen X sandwich caregivers are the primary caregiver for their recipient (61 percent) and provide 22.6 hours of care weekly. They help with 1.8 Activities of Daily Living and 4.1 Instrumental Activities of Daily Living, on average, with 59 percent helping with medical/nursing tasks. Four in ten are in a care situation that has a high burden of care (42 percent vs. 23 percent of millennial sandwich caregivers). 27 percent reported having paid help. They more often expect to continue to be a caregiver for some adult during the next five years (56 percent vs. 37 percent millennial sandwich caregivers).

Most Gen X sandwich caregivers reported having worked in the past year while providing care (64 percent), working 36.4 hours a week on average. These Gen X sandwich caregivers have experienced negative work impacts more often as a result of their caregiving role (65 percent vs. 46 percent of baby boomer sandwich caregivers), including 26 percent who took a leave of absence to provide care. Perhaps due to these work impacts, 25 percent of Gen X sandwich caregivers reported high levels of financial strain as a result of caregiving (compared to 12 percent for baby boomers).

EXPERT COMMENTARY

FEYLYN LEWIS, PHD, UNIVERSITY OF SUSSEX: YOUNG CAREGIVERS

While the reported figure of 11 million sandwich caregivers (taken from the National Alliance for Caregiving and AARP Public Policy Institute's *Caregiving in the U.S. 2015* study)²⁶ may seem shocking, it is expected that this is only the tip of the iceberg. Indeed, the numbers of sandwich caregivers in the U.S. are likely much higher than reported. One reason for under-reported statistics include the issue of self-identification. Individuals providing care for family members often do not identify with the terminology of "caregiver" because they see themselves as loving, dutiful children or partners.²⁷

Furthermore, to qualify for the *Caregiving in the U.S. 2015* study, respondents must have self-identified as an unpaid caregiver providing help with at least one Activity of Daily Living or Instrumental Activity of Daily Living, or a medical/nursing task. These criteria may have excluded caregivers who perform emotional caregiving tasks, such as sitting with the care recipient, holding phone conversations, and general "spending time" with the care recipient. This can take a significant portion of time in the daily lives of caregivers, yet often goes unreported because of its informal nature.²⁸ Therefore, it is likely that caregivers are supplying more care than is reported in the study, meaning that the impacts of caregiving on their daily life is likely more substantial than indicated in the findings. This type of care provision is often common among younger age caregivers (young adults and children) and may also be common among older generation caregivers.²⁹

Finally, it follows that if caregivers *only* provide emotional tasks, they likely were not included in this study because of the exclusion criteria. Thus, this report should be considered with the understanding that the number of sandwich caregivers in the United States is likely much higher than reported, and the scope of the challenges facing this distinctive group of caregivers is far-reaching.

This report has revealed that sandwich caregivers most commonly provide long-term care to individuals with age and frailty issues. Much focus is directed toward the health condition of the care recipient and how particular conditions can impact the experience of the sandwich caregiver. However, there is the strong likelihood that sandwich caregivers will possess their own health condition requiring care. Previous research has found that adult family caregivers often neglect their own need for medical attention, due to their focus on the care recipient³⁰ and the intensity of their caregiving responsibilities.³¹ Furthermore, family caregivers often experience health problems directly caused, or exacerbated by caregiving, such as depression or anxiety,³² or back strain from lifting the care recipient. The personal health issues of sandwich caregivers can compound the already stressful experience of care provision, and this aspect of caregiving should be reflected upon when considering the totality of "impact" upon sandwich caregivers.

As this report indicates that 31 percent of sandwich caregivers are millennials, it is important to draw attention to the issues particularly salient for this younger group of caregivers. This report highlights that millennial sandwich caregivers are more likely to engage in paid employment in comparison to other age groups of sandwich caregivers, but they are the least likely to have supportive workplace policies. Recalling that millennials may be at the beginning stages of their career, they may be in a more insecure employment position than older generations of sandwich caregivers. Their younger age may also mean that they have accumulated less personal wealth and assets and may in fact experience financial precarity.



This report highlights that millennial sandwich caregivers are more likely to engage in paid employment in comparison to other age groups of sandwich caregivers, but they are the least likely to have supportive workplace policies.

²⁶The National Alliance for Caregiving and AARP Public Policy Institute, "Caregiving in the U.S. 2015," *Caregiving in America*. <https://www.caregiving.org/caregiving2015/>.

²⁷Deborah L. O'Connor, "Self-Identifying as a Caregiver: Exploring the Positioning Process," *Journal of Aging Studies*, 21, no. 2, (2007), 165-174.

²⁸Chris Dearden and Saul Becker, (2004). *Young Carers in the UK: The 2004 Report* (London: The Children's Society, 2004).

²⁹Janet Warren, "Young Carers: Conventional or Exaggerated Levels of Involvement in Domestic and Caring Tasks?" *Children & Society*, 21, no. 2, (2007), 136-146.

³⁰Susan C. Reinhard, Barbara Given, Nirvana Huhtala Petlick and Ann Bemis, "Supporting Family Caregivers in Providing Care," in *Patient Safety and Quality: An Evidence-Based Handbook for Nurses*, eds. R.G. Hughes (Rockville: Agency for Healthcare Research and Quality, 2008).

³¹Alana M. Boyczuk and Paula C. Fletcher, "The Ebbs and Flows: Stresses of Sandwich Generation Caregivers," *Journal of Adult Development*, 23, no. 1, (2015).

³²Martin Pinquart and Silvia Sorensen, "Differences Between Caregivers and Non-Caregivers in Psychological Health and Physical Health: A Meta-Analysis," *Psychology & Aging*, 18, no. 2, (2003), 250-267.

³³Brenda Flinn, "Millennials: The Emerging Generation of Family Caregivers," AARP Public Policy Institute. <https://www.aarp.org/content/dam/aarp/ppi/2018/05/millennial-family-caregivers.pdf>.

³⁴Lesli Hokanson, Michael Gerhardt Quinn, Natalie Schütz, Kristy de Salas and Jenn Scott, "A Systematic Review of Indigenous Caregiver Functioning and Interventions," *Quality of Life Research*, 27, no. 8, (2018), 2007-2017; S. Melinda Spencer, R. Turner Goins, Jeffrey A. Henderson, Yang Wen and Jack Goldberg, "Influence of Caregiving on Health-Related Quality of Life Among American Indians," *Journal of the American Geriatrics Society*, 61, no. 9, (2013), 1615-1620; Nancy J. Knauer, "LGBT Older Adults, Chosen Family, and Caregiving," *Journal of Law and Religion*, 31, no. 2, (2016), 150-168. Joel G. Anderson and Jason D. Flatt, "Characteristics of LGBT Caregivers of Older Adults: Results from the National Caregiving in the U.S. 2015 Survey," *Journal of Gay & Lesbian Social Services*, 2, (2018), 103-116.

³⁵The National Alliance for Caregiving and AARP Public Policy Institute, "Caregiving in the U.S. 2015," *Caregiving in America*. <https://www.caregiving.org/caregiving2015/>.

³⁶Gail Gibson Hunt, Margaret L. Longacre, Erin E. Kent and Lisa Weber-Raley, "Cancer Caregiving in the U.S.: An Intense, Episodic, and Challenging Care Experience," *National Alliance for Caregiving, Cancer Support Community and National Cancer Institute*, (2016).

³⁷Margaret F. Bevens and Esther M. Sternberg, "Caregiving Burden, Stress, and Health Effects Among Family Caregivers of Adult Cancer Patients," *JAMA*, 307, no. 4, (2012), 398-403.

³⁸Laurel L. Northouse, Maria C. Katapodi, Ann M. Schafenacker and Denise Weiss, "The Impact of Caregiving on the Psychological Well-Being of Family Caregivers and Cancer Patients," *Seminars in Oncology Nursing*, 28, no. 4, (2012), 236-245.

³⁹Francesca Romito, Gil Goldzweig, Claudia Cormio, Mariet Hagedoorn and Barbara L. Andersen, "Informal Caregiving for Cancer Patients," *Cancer*, 119, (2013), 2160-2169.

⁴⁰Kristin Litzelman and Robin Yabroff, "How Are Spousal Depressed Mood, Distress, and Quality of Life Associated with Risk of Depressed Mood in Cancer Survivors? Longitudinal Findings from a National Sample," *Cancer Epidemiol Biomarkers and Prevention*, 24, no. 6, (2015).

⁴¹Paula R. Sherwood, Barbara Given, Heidi S. Donovan, Andrew Baum, Charles W. Given, Catherine M. Bender and Richard Schulz, "Guiding Research in Family Care: A New Approach to Oncology Caregiving," *Psychooncology*, 17, no. 10, (2008), 986-996.

⁴²*Ibid.*

Previous research with the AARP found that one in three (34 percent) of employed millennial caregivers have an annual household income of less than \$30,000,³³ while spending a higher percentage of their income on family caregiving than any other age group. The unique economic burdens facing millennial sandwich caregivers warrant a prioritization of their needs in workplace policy, however, this group of caregivers remains overlooked. The only current federal leave policy available to some eligible millennial sandwich caregivers—the Family and Medical Insurance Leave Act (FMLA)—offers twelve weeks of leave within a one-year period, however, this leave is unpaid. Beyond paid leave policies, millennial sandwich caregivers would benefit from flexible working hours, a more empathetic workplace culture, and depending upon their job sector, the ability to telecommute.

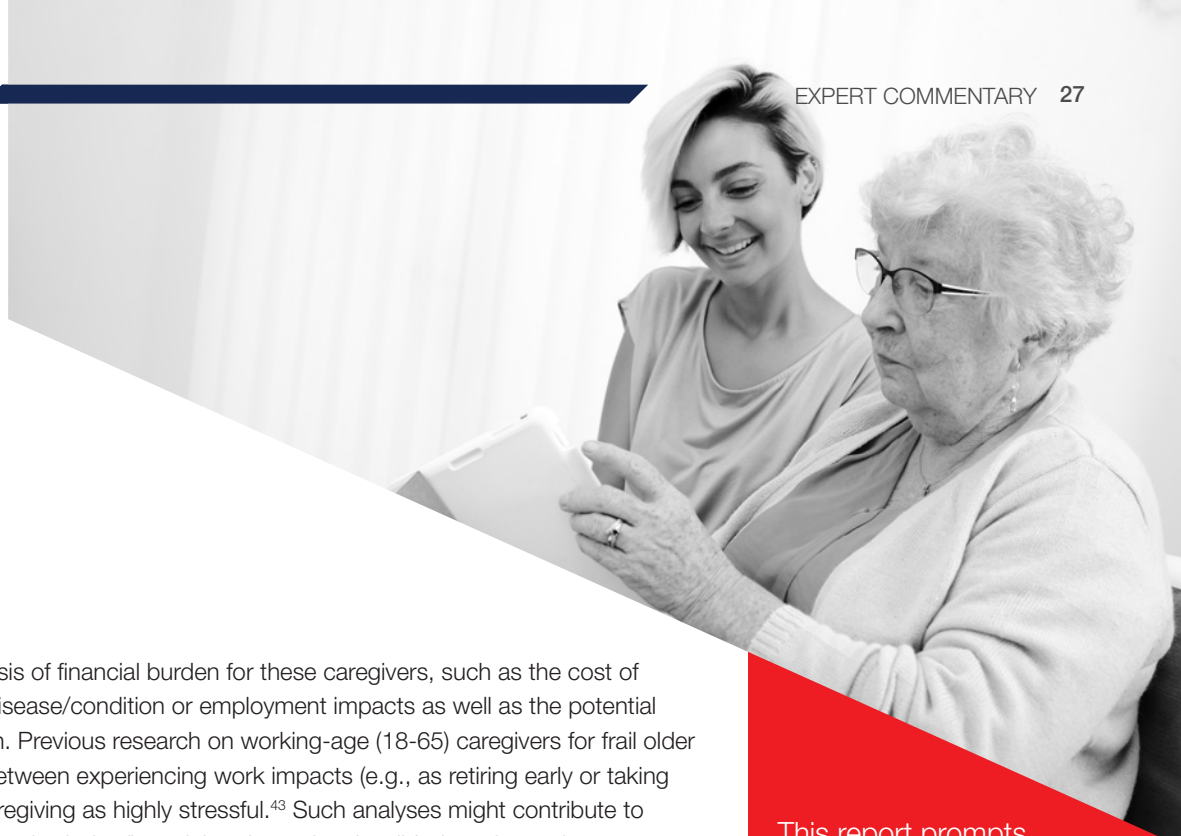
Future research involving sandwich caregivers should examine the experience of sandwich caregivers who lack a care team, with particular attention given to single/unpartnered caregivers. The experience of those sandwich caregivers who identify as LGBT, as well as those from indigenous people groups, should also be included in future analysis. Previous research has shown that those groups of caregivers have unique experiences in their caregiving journey, and more often than not, face social isolation, financial difficulties due to caregiving, and barriers to accessing formal support.³⁴ It is recommended that future studies involving sandwich caregivers center and prioritize the experience of those who may be particularly vulnerable and isolated from support services.

MARGARET L. LONGACRE, PHD; DEPARTMENT OF PUBLIC HEALTH, COLLEGE OF HEALTH SCIENCES, ARCADIA UNIVERSITY: HEALTH SYSTEMS

A growing body of literature is illuminating the collective caregiving experience as well as the experiences of caring due to specific conditions. We know less about stage-of-life caregiving, including those who provide informal or family care to an adult while also caring for a child or children in the home. Thus, this report on sandwich caregivers provides a needed glimpse into this population of caregivers. Key points of this report relate to the: 1) the emotional, financial and employment strain experienced by sandwich caregivers; and, 2) the potential need for varied communication skills as evidenced by findings on the reasons for which care is provided and the roles and dynamics of such care (i.e., "care team").

First, 33 percent of these sandwich caregivers indicated that caregiving was highly stressful. Although lower in proportion compared to all caregivers in the Caregiving in the U.S. 2015 report (38 percent)³⁵ and to caregivers of people suffering with cancer (50 percent),³⁶ this still represents approximately 3 in 10 caregivers. Caregiving is well known to be emotionally straining, presenting as elevated stress or distress or as clinical anxiety and/or depression.^{37, 38, 39} Having a poorer emotional response to caregiving can also have adverse implications for a caregiver's own physical health as well as a care recipient's emotional response.^{40, 41}

Caregiver and caregiving characteristics, including employment, can influence a caregiver's emotional response.⁴² Given the younger age of these sandwich caregivers (41 years of age, on average), financial strain and employment impact might be particularly important to consider with respect to emotional strain. Twenty percent of these sandwich caregivers expressed high financial strain due to caregiving, and, of those who were employed (67 percent), many (60 percent) indicated making at least one type of employment modification (e.g., modifying hours or taking a leave of absence). Just over half (54 percent) indicated flexibility with work hours and fewer indicated having support in other ways, such as paid time off or the ability to telecommute. Future research



should more fully explore the basis of financial burden for these caregivers, such as the cost of patient/care recipient care per disease/condition or employment impacts as well as the potential relationship with emotional strain. Previous research on working-age (18-65) caregivers for frail older adults showed an association between experiencing work impacts (e.g., as retiring early or taking time off work) and perceiving caregiving as highly stressful.⁴³ Such analyses might contribute to broader policy support to enhance both the financial and emotional well-being of caregivers.

Findings in this report also suggest the potential need to consider communication demands and skills among sandwich caregivers. For example, the most frequent reason for which a sandwich caregiver provided care was due to the main condition of “old age”/frailty (12 percent). Care was also provided due to conditions such as mental illness (7 percent), cancer (6 percent), and Alzheimer’s disease/dementia (6 percent). Moreover, 20 percent indicated that the care recipient had memory deficits, which was occurring for some in addition to a primary condition other than dementia. Most (82 percent) of these sandwich caregivers also live within twenty minutes of the care recipient including 35 percent residing with the care recipient; thus, the child/youth might likely have consistent interaction with the care recipient. Therefore, these caregivers may need assistance in communicating the care experience to a child or children living in the home.

Moreover, there is growing focus on the importance of communication among dyads (caregiver and care recipient) and triads (caregiver, care recipient, and provider) as some caregivers do not always know how to interact in clinical care (e.g., what questions to ask, how to get updates),⁴⁴ but are often part of clinical communication.⁴⁵ A majority (62 percent) of these sandwich caregivers (and 73 percent of the baby boomer sandwich caregivers) indicated communicating with the care recipients’ health care professionals. Furthermore, the report also highlights that many caregivers share the caregiving role (53 percent) and some utilize paid help (25 percent). Thus, inherent with this care team is the need to arrange and communicate with other informal or formal care providers to adequately assist the care recipient.

In sum, this report provides important first understandings that prompt questions for further study – e.g., might employment strain impact the caregivers’ emotional response for these caregivers, and, if so, how could policy reduce this burden? Also, how is the care experience articulated to those children living in the home or other care team members, and what programming or assistance might be needed to facilitate understanding and communication? This report and subsequent work that stems from it will contribute to improved understanding for this important subset of family caregivers.

This report prompts questions for further study: how is the care experience articulated to those children living in the home or other care team members, and what programming or assistance might be needed to facilitate understanding and communication?

⁴³Margaret L. Longacre, Vivian G. Valdmann, Elizabeth A. Handorf and Carolyn Y. Fang, “Work Impact and Emotional Stress Among Informal Caregivers for Older Adults,” *The Journals of Gerontology Series B Psychological Sciences and Social Sciences*, 72, no. 3, (2017), 522-531.

⁴⁴Margaret L. Longacre, Thomas J. Galloway, Claudia F. Parvanta and Carolyn Y. Fang, “Medical Communication-Related Informational Need and Resource Preferences Among Family Caregivers for Head and Neck Cancer Patients,” *Journal of Cancer Education*, 30, no. 4, (2015), 786-791.

⁴⁵Gail Gibson Hunt, Margaret L. Longacre, Erin E. Kent and Lisa Weber-Raley, “Cancer Caregiving in the U.S.: An Intense, Episodic, and Challenging Care Experience,” *National Alliance for Caregiving, Cancer Support Community and National Cancer Institute*, (2016).

JOE CALDWELL, PHD; COMMUNITY LIVING POLICY CENTER, LURIE INSTITUTE FOR DISABILITY POLICY, BRANDEIS UNIVERSITY: DISABILITY

As the U.S. population ages, the number of individuals needing long-term services and supports is expected to more than double from approximately 12 to 27 million individuals by 2050.⁴⁶ An inadequate national system of financing long-term services and supports is placing a great burden on American families. Those from the Generation X and millennial generations are increasingly finding themselves in the role of a sandwich caregiver, providing unpaid care to an aging parent or other adult as well as raising children. This report provides a valuable profile of this population of caregivers.

One of the key findings of the report is the extent to which this population of caregivers is juggling extensive caregiving time demands with work.

One of the key findings of the report is the extent to which this population of caregivers is juggling extensive caregiving time demands with work. Two-thirds (67 percent) of these caregivers are employed. On average, they are working 36 hours per week and devoting 22 hours per week to care for an adult, all on top of raising children. Given these time demands, it is not surprising that other studies have similarly found that these caregivers report feeling stressed,⁴⁷ overwhelmed, and have less time to spend with friends and other family.⁴⁸ Other studies have also found negative impacts on well-being⁴⁹ and health-related behaviors, such as lower levels of exercise and self-care.⁵⁰ Moreover, as highlighted in this report, the majority (60 percent) report negative impacts on their employment and many, particularly millennials, report not having adequate workplace supports and flexibility.

The report also provides useful snapshots of various subpopulations of sandwich caregivers which can help inform policy and improve interventions. Consistent with other research,⁵¹ the report highlights greater racial and ethnic diversity among this population of caregivers, particularly higher rates of Hispanic (22 percent) and African American (16 percent) caregivers. Racial and ethnic minority caregivers are less likely to receive formal services and face barriers in receiving culturally competent interventions and supports.⁵² The report also highlights important issues concerning care in rural areas. While a third of care recipients of sandwich caregivers reside in rural areas, their caregivers are less likely to also reside there, which requires commuting and other strategies to coordinate care from a distance.

The report contributes to a better understanding of a population of caregivers that will significantly grow in the coming decades as the baby boom generation ages and acquires needs for long-term services and supports. Many characteristics and issues facing sandwich caregivers mirror those facing caregivers in general. However, the report highlights some important differences, particularly greater time demands and potential implications for health and economic well-being. Moreover, not only are sandwich caregivers more racially/ethnically diverse, there is great variation within this population. As highlighted in the report, there are many subpopulations even within this population. Also, many are providing care within a network of other unpaid and paid supports. The report reminds us of the need to develop policies and practices that are flexible and approach families holistically, using a person and family-centered approach based on assessment of their unique situation and needs.

⁴⁶U. S. Senate Commission on Long-Term Care, "U. S. Senate Commission on Long-Term Care: Report to the Congress, (Washington, D.C., 2013).

⁴⁷Rose M. Rubin and Shelley I. White-Means, "Informal Caregiving: Dilemmas of Sandwiched Caregivers," *Journal of Family and Economic Issues*, 30, (2009), 252–267.

⁴⁸Easter Seals, Inc., "Many Faces of Caregiving Study," (Washington DC: Easter Seals and Mass Mutual, 2015).

⁴⁹Leslie B. Hammer and Margaret B. Neal, "Working Sandwiched-Generation Caregivers: Prevalence, Characteristics, and Outcomes," *The Psychologist-Manager Journal*, 11, no. 1, (2008), 93–112.

⁵⁰Laurie Chassin, Jon T. Macy, Dong-Chul Seo, Clark C. Presson and Steven J. Sherman, "The Association Between Membership in the Sandwich Generation and Health Behaviors: A Longitudinal Study," *Journal of Applied Developmental Psychology*, 31, (2010), 38–46.

⁵¹Kim Parker and Eileen Patten, "The Sandwich Generation: Rising Financial Burdens for Middle-Aged Americans," *The Pew Research Center*. <https://www.pewsocialtrends.org/2013/01/30/the-sandwich-generation/>.

⁵²Evercare and National Alliance for Caregiving, *Hispanic Family Caregiving in the U.S.* (Minnetonka and Bethesda: Evercare and National Alliance for Caregiving, 2008).

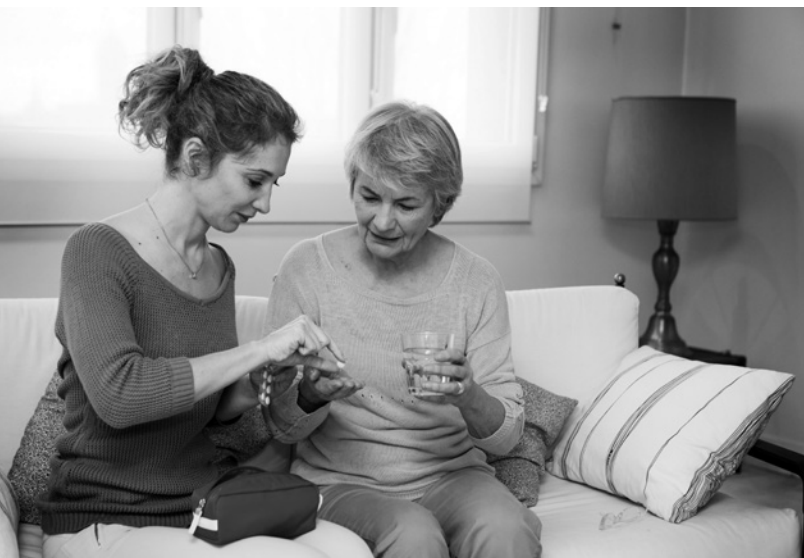
DEMOGRAPHIC PROFILE

Most sandwich caregivers are women (61%) and they are 41 years old, on average. Rural caregivers younger still at 37.6 years old. They are diverse with non-Hispanic Whites constituting just over half the racial/ethnic makeup.

Figure 20: Gender, LGBT Status, Age, Race and Ethnicity

	Sandwich Caregivers	Non-Sandwich Caregivers
Caregiver Gender		
Female	61%	59%
Male	39%	41%
Caregiver LGBT status		
Yes	4%	10%*
Age of Caregiver		
18 to 34	33%*	20%
35 to 49	44%*	15%
50 to 64	18%	40%*
65 to 74	3%	15%*
75 or older	<0.5%	10%*
Mean age	40.7	52.8*
Race/Ethnicity of Caregiver		
White Non-Hispanic	53%	66%*
Hispanic	22%*	15%
African-American Non-Hispanic	16%	12%
Asian/Pacific Islander	7%	6%
Other	2%	2%





The majority (77%) of sandwich caregivers are between 18 and 49 years of age (mean 40.7), while most non-sandwich caregivers (65%) are over the age of 50 (mean 52.8).

The majority (79 percent) of sandwich caregivers are married/partnered, while 59 percent of non-sandwich caregivers are married or partnered. The majority (77 percent) of sandwich caregivers are between 18 and 49 years of age (mean 40.7), while most non-sandwich caregivers (65 percent) are over the age of 50 (mean 52.8). About four in ten have a high school degree or less (39 percent), while 31 percent have a college degree or more. In comparison, 35 percent of non-sandwich caregivers have a high school degree or less, while 37 percent have a college degree or more. Half have a household income of \$50,000 or less with a median income of \$51,900, slightly less than non-sandwich caregivers (\$56,300). By comparison, the median household income in the United States in 2014 was \$53,718.⁵³ The table below further de-segregates income levels.

Figure 21: Marital Status and Household Income

	Sandwich Caregivers	Non-Sandwich Caregivers
Caregiver Marital Status		
Married	67%*	53%
Living with a partner	12%*	6%
Single, never married	13%	22%*
Divorced	4%	9%*
Separated	2%	1%
Widowed	1%	7%*
Caregiver Education		
Less than high school	11%*	6%
High school graduate	28%	29%
Some college	25%	20%
Technical school	7%	8%
College graduate	21%	20%
Graduate school	10%	17%
Caregiver Household Income		
Less than \$50,000 (net)	49%	46%
Less than \$15,000	10%	13%
\$15,000 to \$29,999	17%	15%
\$30,000 to \$49,999	21%	17%
\$50,000 or more (net)	51%	54%
\$50,000 to \$74,999	17%	18%
\$75,000 to \$99,999	11%	14%
\$100,000 or more	23%	23%
Median Household Income	\$51,900	\$56,300

⁵³U.S. Census Bureau, *Income and Poverty in the United States: 2014*, (2015). <https://www.census.gov/content/dam/Census/library/publications/2015/demo/p60-252.pdf>.

About one in seven sandwich caregivers lives in a rural area (15 percent), while 33 percent of their care recipients live in a rural area. Most were employed while caregiving (67 percent), 8 percent have served on active duty in the military, and 4 percent reported being lesbian, gay, bisexual, and/or transgender.

Figure 22: Living Location, Employment Status, and Service in the Armed Forces

	Sandwich Caregivers	Non-Sandwich Caregivers
Care Recipient Living Location		
Non-Rural	67%	73%
Rural	33%*	26%
Caregiver Living Location		
Non-Rural	85%	84%
Rural	15%	16%
Caregiver Employment Status		
Employed in past year while caregiving	67%*	57%
Not employed	33%	43%
Caregiver Service in Armed Forces		
Ever served on active duty	8%	11%
Did not ever serve	92%	88%
Care Recipient Service in Armed Forces		
Ever served on active duty	10%	15%*
Did not ever serve	89%	83%





National Alliance for Caregiving

1730 Rhode Island Avenue NW
Suite 812
Washington, DC 20036

202.918.1013 phone
202.918.1014 fax
info@caregiving.org

caregiving.org



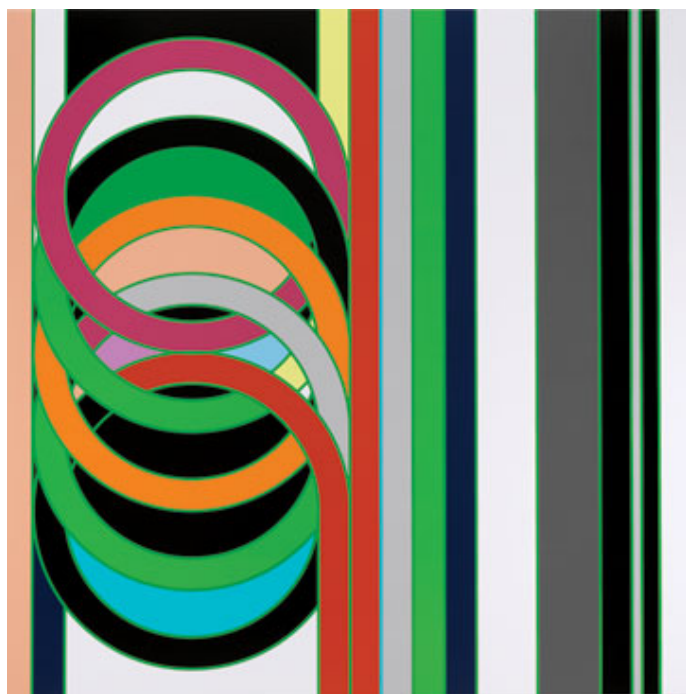
About the National Alliance for Caregiving

Established in 1996, the National Alliance for Caregiving is a non-profit coalition of national organizations focusing on advancing family caregiving through research, innovation, and advocacy. NAC conducts research, does policy analysis, develops national best-practice programs, and works to increase public awareness of family caregiving issues. Recognizing that family caregivers provide important societal and financial contributions toward maintaining the well-being of those they care for, NAC supports a network of more than 80 state and local caregiving coalitions and serves as Secretariat for the International Alliance of Carer Organizations (IACO). Learn more at www.caregiving.org.

The For-Benefit Enterprise

by Heerad Sabeti

From the November 2011 Issue



Artwork: Sarah Morris, Alpine Coil [Knots], 2009, Gloss household paint on canvas, 214 x 214 cm

We are in a new era. For-profit businesses are tackling social and environmental issues, nonprofits are developing sustainable business models, and governments are forging market-based approaches to service delivery. Out of this blurring of traditional boundaries, a different model of enterprise is emerging, driven by entrepreneurs who are motivated by social aims.

When these entrepreneurs begin to create an entity to carry out their ideas, they often face a crippling

and seemingly arbitrary question: whether to be a for-profit or a nonprofit. To some readers the distinction may seem straightforward, but a growing number of entrepreneurs chafe under those classifications. How, for example, would you label the commercial car-sharing service I-GO in Chicago, which is structured as a nonprofit? What about China's Qifang, an online platform dedicated to giving low-income students a way to pay for their education, which is structured as a for-profit?

Neither of these enterprises is strictly for-profit or nonprofit; both could be called "for-benefit." That's the term entrepreneurs are increasingly using to describe organizations that generate earned income but give top priority to an explicit social mission. The hybrid approach they employ can already be

found across a wide range of industries and in pursuit of myriad important goals: eliminating homelessness, fighting drug addiction, reducing deaths from malaria, producing renewable energy.

Many more such enterprises would exist, except that most entrepreneurs haven't been able to choose "for-benefit" as a legally recognized organizational structure. Most countries' legal and economic systems allow either for-profit or nonprofit activity, not a blending of the two. Many socially minded entrepreneurs end up shoehorning their vision into one structure or the other and accepting burdensome trade-offs in the process.

All this is destined to change. For-benefit enterprises will become more commonplace as entrepreneurs learn to better navigate existing constraints, and as an ecosystem of specialized support—including public policy, financial markets, accounting standards, and professional services—develops around them. The even bigger news is what will happen then. With formalization of the for-benefit structure, we will see the emergence of a fourth sector of the economy, interacting with but separate from governments, nonprofits, and for-profit businesses. The rise of that sector is likely to reshape the future of capitalism.

To understand the kinds of gains the new sector will make possible, let's take a look at the breakthrough solution offered by a for-benefit structure in one important arena.

A Healthful Compromise

In the 2009 debate over U.S. health care reform, proponents of the "public option"—a government-run health insurance plan—were pitted against those who wanted to maintain the status quo of private insurance. Neither side won, but out of the tension a new idea was born: The Patient Protection and Affordable Care Act included an innovative compromise provision encouraging the creation of "community operated and oriented plans." Hoping to intensify the competition in markets served by incumbent for-profit and nonprofit insurers, a bipartisan group of lawmakers crafted the provision for this entirely new kind of health insurance entity, appropriated \$6 billion in start-up loans, and set a goal of each state's having at least one COOP by 2014.

COOPs combine the best of nonprofit, for-profit, cooperative, and public models. They are private, consumer-governed health plans designed to serve the social purpose of furthering the well-being of their members. They are exempt from federal income tax. Like other insurers, COOPs must attract customers, charge premiums, and generate profits in order to maintain solvency and grow their membership. But their profits must be directed toward improving benefits, enhancing quality of care, reducing premiums, or otherwise advancing their mission.

Very quickly the COOP provision attracted attention from various groups interested in alternative health insurance models. Take, for example, the Freelancers Union, a New York-based nonprofit dedicated to developing a social safety net for independent workers. Its founder, Sara Horowitz, sees the COOP model as a perfect fit for an organization whose membership, numbering in the tens of thousands, constitutes a risk pool that can be insured at a reasonable cost. She and other proponents believe that COOPs can play a significant role in fostering higher quality of care, greater cost efficiency, and broader access throughout the U.S. health care system.

In hindsight, the COOP solution seems obvious: It's a market-based approach that addresses concerns about government bureaucracy and inefficiency, yet is driven by a social purpose and has a governance structure that puts the health of members before the maximization of profits. So why wasn't the solution obvious all along? Because it required re-imagining entrenched organizational structures that many considered immutable.

For-benefit models have broad applicability throughout the economy, but bringing their potential to life depends on just such reimagining, on two fronts: organizational architecture and ecosystems of support.

Creating a For-Benefit Enterprise

What, exactly, does it mean to be a for-benefit? Two primary characteristics distinguish these organizations: a commitment to social purpose and a reliance on earned income. Most for-benefits also have one or more secondary characteristics (see the sidebar “The Anatomy of a For-Benefit Organization”).

The Anatomy of a For-Benefit Organization

For-benefits are a new class of organization. Like nonprofits, they can pursue a wide range of social missions. Like for-profits, they can generate a broad range of products and services that improve quality of life for consumers, create jobs, and contribute to the economy.

Combining social and commercial ends is not new—think of hospitals, universities, arts organizations, Goodwill. But the for-benefit model does much more than that. It redefines fiduciary duty, governance, ownership, and stakeholder relationships in fundamental ways. Here are some key for-benefit characteristics that are being codified in new legal structures:

Primary

Embedded purpose.

A commitment to mission is in the organization's DNA. Fiduciary duty is tied to purpose.

Earned income.

Sales of goods and services generate most of the income.

Secondary

Inclusive ownership.

The first step in forming a for-benefit enterprise is to be explicit about the fact that one is doing so. Because the law usually forces a nascent for-benefit to organize as a for-profit or a nonprofit, the enterprise defines itself accordingly. This can lead to confusion, mistrust, and low credibility among stakeholders—which is why many for-benefits attempt to distinguish themselves through branding or product messaging, invoking terms such as “social enterprise,” “sustainable business,” “fair trade,” and “green.”

Rare is the entrepreneur who devotes much thought to organizational architecture—the rules, incentives, roles, and systems at the heart of an organization's operations. Entrepreneurs tend to be excited about the new products or services they will offer, or the better way they will meet customers' needs, or the underserved market they will reach. When it comes to administrative details, they are usually happy to rely on experts—legal counsel and accountants who have served many entrepreneurs before them.

Architecture can be implemented through a variety of elements, including legal form, governance structure, ownership design, performance-assessment tools, and contracts with investors, employees, suppliers, and other stakeholders. The right architecture is critical for the success of any organization; for-benefits face unique challenges, however, because their default choices come from

Ownership rights are allocated among stakeholders in accordance with their contributions.

Stakeholder governance.

Decision rights regarding information and control are distributed among stakeholder constituencies.

Fair compensation.

Employees and other stakeholders are compensated in proportion to their contributions.

Reasonable returns.

Limitations on investment returns protect the organization's ability to achieve its mission.

Social and environmental responsibility.

Social and environmental performance is constantly improved throughout the stakeholder network.

Transparency.

Social, environmental, and financial performance and impact are fully and accurately assessed and reported.

Protected assets.

either for-profit or nonprofit norms. A for-benefit entrepreneur who is ready to form a legal entity will typically consult either a corporate or a nonprofit attorney, and thus be channeled into one body of law and legal options or the other. The choice of legal form will dictate the type of capital the enterprise can easily access: private investment in the case of a for-profit, philanthropic funds in the case of a nonprofit. Although there are exceptions, most for-benefit entrepreneurs find themselves in a binary world that forces them to compromise their objectives, complicate their organizational structures, and waste resources.

Socially minded entrepreneurs should realize that they don't have to accept convention. They have license to be inventive and to question advice that seems inconsistent with their objectives. Form should follow function. Imagine starting out as an enterprise builder with no preconceived notions about structure. How might you create a reliable system for tracking social and environmental impacts throughout your supply chain? Could you build an investment structure that provides what economists call a "satisficing" level of return—sufficient to incentivize investment—without giving away perpetual ownership rights? Would a structure that allowed anyone to benefit from selling your offering make more sense than one that assumed a captive or formally contracted sales force? These questions merely hint at the range of

possibilities. Coloring outside the lines requires more imagination, effort, and expense than a start-up

typically requires, but it can maximize the potential for achieving financial, social, and environmental objectives in the long run.

The following items should be given priority on any for-benefit entrepreneur's agenda:

Stakeholder value.

Whereas for-profits emphasize shareholder value, for-benefits pay more attention to their impact on all stakeholders. After identifying the groups that are essential to the organization's success, and clarifying the value proposition for each, entrepreneurs should feel free to negotiate unconventional roles, responsibilities, and incentives that will increase stakeholders' engagement with the mission. The British start-up Riversimple, which makes cars powered by hydrogen fuel cells, allows all its stakeholders to have a voice in the governance of the business and a share in the profits. The company licenses its designs to an independent, open-source foundation, which makes it possible for engineers, designers, and manufacturers anywhere in the world to help develop and produce the cars.

Capitalization.

A key challenge that for-benefits encounter is to design a structure that balances the financial interests of capital providers with the enterprise's mission and stakeholder commitments. This balance should be reflected in shareholder agreements, loan contracts, and other financial instruments. Upstream 21, a holding company in the Pacific Northwest, chooses its portfolio companies on the basis of their demonstrated concern for stakeholders and local communities, and provides them with both growth capital and assistance in improving their financial, social, and environmental performance.

Ownership and governance.

Will subsequent CEOs, directors, and investors share the commitment that inspired the founders? Preservation of the social mission after an ownership transfer is one of the thorniest challenges that for-benefits face. It's often assumed that owners drive governance, but in fact ownership is a collection of legal rights that can be unbundled and repackaged in creative ways. Thoughtful ownership and governance design can protect the mission over the long term and deepen stakeholder engagement. Cafédirect, the United Kingdom's largest fair-trade purveyor of hot drinks, was founded by a worker-owned cooperative, a public limited company, an international confederation of nonprofits, and an NGO. Since 2003 the producers that supply Cafédirect have been represented on the board and have held 5% of the company's shares.

Legal form and tax treatment.

For-profit and nonprofit legal and tax models are not designed for the simultaneous pursuit of social and financial bottom lines. For example, when founders choose a for-profit form, they have no reliable way of ensuring commitment to the social mission. And board members, mindful of their fiduciary duty, may find it hard to prioritize social and environmental concerns over the interests of shareholders. The Danish pharmaceutical company Novo Nordisk, founded with a mission to rid the world of diabetes, avoided those difficulties. It has a publicly traded operating company that is controlled by a foundation—which prevents hostile takeovers, enables executives to focus on the long term, and allows profits to be used for humanitarian purposes.

Some jurisdictions have started to recognize various types of for-benefits: the “community interest company” in the UK and the “low-profit limited liability company” (L3C), “benefit corporation,” and “flexible purpose corporation” (pending the signature of California’s governor) in various U.S. states. Although these models may not withstand the test of time, they are a harbinger of more-sustained attention by lawmakers to the needs of for-benefit enterprises.

Performance measurement and reporting.

The fundamental value proposition for a for-benefit requires that the organization be able to account for its total impact and performance—financial, social, and environmental. Few conventional accounting systems and metrics are designed for such reporting, but efforts are under way to create new tools. Last May the sports apparel company Puma announced the initial results of its Environmental Profit & Loss Account, which relies on emerging methodologies to calculate the impact of the company’s operations and supply chain on greenhouse gas emissions and water consumption.

Cautionary tales are associated with all five of these areas. Many of the pitfalls that for-benefits face as they mature can be attributed to flaws in their architecture. Entrepreneurs are well served by adopting a long-term perspective as they think through the consequences of key structural decisions.

Finding a Suitable Ecosystem

For-profits and nonprofits exist within supportive ecosystems consisting of well-established laws, accounting standards, financial markets, trained pools of talent, and customized tools and services. When an entrepreneur starts a conventional company, lawyers, accountants, investors, and

consultants share an understanding of what that means and can provide tools and services that fit seamlessly together. For-benefit enterprises have had to rely mostly on these ecosystems—but now they can find resources and support that are better suited to their requirements.

For example, they can obtain specialized legal assistance through the Lex Mundi Pro Bono Foundation. Access to sympathetic sources of capital is becoming easier with the rise of so-called impact investors and the advent of intermediaries such as the Global Impact Investing Network. (The financial opportunity is certainly there: According to a 2010 J.P. Morgan research report, five sectors of the global bottom-of-the-pyramid market collectively offer the potential over the next decade for up to \$1 trillion in invested capital and up to \$667 billion in profits.) The management consulting world is beginning to address the technical challenges of delivering “blended value”; Bridgespan and the Monitor Institute are in the vanguard here. Duke University’s Center for the Advancement of Social Entrepreneurship and other business school programs are developing high performers who want to work in a for-benefit environment. Fellowship programs at Ashoka, the Schwab Foundation for Social Entrepreneurship, and Harvard Kennedy School’s Center for Public Leadership help further the careers of top-tier entrepreneurs who have a demonstrated commitment to leading social change. Assessment and certification tools include LEED certification for green buildings, ISO 14000 environmental management standards, and Green Plus and B Corporation certifications for small and midsize enterprises.

Social Enterprise UK and Social Venture Network are among the better-established support networks; since their beginnings in informal relationships and best-practice swapping, they have taken on the trappings of professional societies and trade associations. Conferences like the Skoll World Forum on Social Entrepreneurship and SOCAP provide vital cross-pollination, bringing together entrepreneurs, funders, and service providers from around the world.

The Emergence of the Fourth Sector

In the past several decades a steadily growing number of innovators have been pushing against the boundaries that separate for-profits, nonprofits, and governments. Their activities go by various names: corporate social responsibility, sustainability, cause-oriented marketing and purchasing, venture philanthropy, social investing, microfinance, civic and municipal enterprise. When the for-benefit model is broadly recognized, all this innovation will constitute a large fourth sector—which has

been there all along, though cloaked by conventional adherence to old categories. As governments, markets, and entrepreneurs adopt the for-benefit model, more light will be cast on the fourth sector. It will grow in proportion to the other three as a cadre of socially motivated entrepreneurs, supported by appropriate legal and market structures, create enterprises that combine a social mission with a business engine—and refuse to compromise on either front.

Our current model of capitalism has generated prosperity and improved the quality of life, but not without undesirable environmental and social consequences. Calls for its reform are getting louder, and many approaches have been put forth. Whatever their labels—creative capitalism, philanthrocapitalism, new economy, impact investing, blended value, shared value—these approaches are all rooted in the observation that no genuine reform can take place as long as profit-maximizing businesses remain the sole engine of capitalism. Governments and markets must recognize and support for-benefits as an equally legitimate model.

As entrepreneurs continue to prove that for-benefit organizations can balance economic, social, and environmental performance, demand for such organizations will grow. For-benefits cannot replace for-profits, governments, or nonprofits; a resilient, competitive 21st-century economy needs all four sectors. But they can fill the gaps created by the failure of the three-sector model. As their DNA takes hold, the entire system will evolve. It will become clear that in organizing their enterprises for benefit, entrepreneurs have been the architects of a new, more sustainable capitalism.

Rare is the entrepreneur who devotes much thought to organizational architecture.

For-benefits can't replace the other three sectors of the economy; but they can fill the gaps.

A version of this article appeared in the November 2011 issue of *Harvard Business Review*.

Heerad Sabeti is a serial social entrepreneur and a cofounder and trustee of the *Fourth Sector Network*.



Serving a global community
of people using businesses
as a force for good.

Date: January 31, 2020

Draft Policy Ideas for the Future of Work Commission

Introduction

As Milton Friedman and the Chicago School defined the responsibility of business for the last 50 years, Governor Newsom and the State of California can define the responsibility of business for the next 50 years, not just in California, but across the United States and around the world.

B Lab believes a set of far-reaching policies for California can accelerate the transition to responsible capitalism. The core change is to revise the duties of corporate and investment fiduciaries to be responsible for the impact of their decisions on the natural and social systems on which healthy markets and all lives depend, rather than just on individual company financial returns.

Governor Newsom can lead the movement to change fiduciary duties across the corporate and financial sectors. These changes build on the model of the benefit corporation statute, a policy concept that California adopted in 2011. With new reforms, California can take the lead in addressing the root cause of capitalism's current malaise: a misguided focus on financial returns that ignores the critical impact that business and investment have on our environment and society.

New disclosure regimes can complement the change in duties by ensuring free and fair markets that deliver the information required for all stakeholders to make authentic choices. Enhanced duties and disclosure will provide the tools necessary to recognize and reward the value of the high-road businesses that enhance the health of our communities and the natural and social systems on which healthy markets and all life depends.

Governor Newsom can harness the cultural momentum from recent statements by the Business Roundtable, World Economic Forum, and Blackrock and transform them into the concrete, systemic changes necessary to redesign our economic system to fulfill its higher purpose to create a shared prosperity for all and for the long term.

DRAFT

Bcorporation.net | 15 Waterloo Ave, Berwyn, PA 19312 | (610) 293-0299



Serving a global community
of people using businesses
as a force for good.

Whether addressing climate, inequality, or any number of other important interconnected issues, **we will not change outcomes until we change the fundamental rules that guide the corporate and financial sectors.**

Below are two bold policy ideas that would harness the power of innovative federalism, drive change with speed to scale, and build on California's history and leadership in shaping the culture and practice of business and finance:

1. Building on Governor Newsom's recent Climate Investment Framework executive order and prior law requiring public reporting on climate risk by state pensions, **California could require California pension funds to be responsible for the impact of their decisions, not only on individual company financial returns, but also on the natural and social systems on which healthy markets and all lives depend.** This will ensure an elevated level playing field that produces healthy outcomes for people, communities and the natural world, in order to protect the long-term viability of the funds' diversified portfolios and the interests of their beneficiaries.

Asset owners drive capital markets; capital markets drive corporate behavior; and corporate behavior drives our quality of life and the health of natural and social systems. California's pension funds are the largest in the country, and changes in their governance will create ripple effects felt not just in California but throughout the country and the world.

2. Building on California's leadership in requiring women to be represented on the boards of public companies for companies incorporated or with headquarters in California, and in enacting one of the nation's first benefit corporation laws, **California could require all companies incorporated or with principal headquarters in California to adopt these same new standards of fiduciary duty:** Corporate directors should be responsible for the impact of their decisions, not only on financial returns, but on the natural and social systems on which healthy markets and all lives depends. This will ensure alignment of corporate interests with beneficiaries' interests as investors and citizens. As with other California laws, rules and regulations, changes to how business is done in California will change how business is done everywhere.



Serving a global community
of people using businesses
as a force for good.

3. By taking an affirmative stance to accelerate changes in corporate behavior, Governor Newsom can use the market-making power of the state purse to provide incentives for businesses to adopt these new standards of fiduciary duty prior to the effective date of any legislation requiring it, and under these new duties, to demonstrate publicly their verified performance as high-road businesses. The affirmative rationale is simple: **In ‘California capitalism’, if you want to use the public’s money, you must be accountable to serve the public’s interests, and you must be transparent to the public about exactly how you do so.** This will ensure California taxpayers get value for their money; and, more broadly, this will use California’s market power to drive the creation of standardized metrics for corporate impact which will further accelerate this market-driven transformation.

B Lab’s partnership with states in creating the benefit corporation movement offered a model for creating an *optional* alternative to shareholder primacy. Benefit corporation statutes eliminate any requirement that directors favor shareholders, and further require that directors account for stakeholder interests in their decision making. These statutes have been enacted in 37 states in the U.S., and in Colombia, Italy, Ecuador and British Columbia, have been adopted by approximately 10,000 companies, and have been used to raise over \$3 billion in outside capital. Yet the optional nature of the benefit corporation form means that companies, or their investors, may avoid the designation if they remain stuck in a shareholder primacy mindset.

Below, we present specific options for policy reform in line with the new fiduciary duties for business and financial institutions.

California Policy Ideas: Specific Statutory Reforms

1. California Pension Fund Reform
 - a. California Pension Fund Fiduciary Duty reforms:
 - i. Current standard: California Constitution Article XVI 17(b): “(b) The members of the retirement board of a public pension or retirement system shall discharge their duties with respect to the system solely in the interest of, and for the exclusive purposes of providing benefits to, participants and their beneficiaries, minimizing employer contributions thereto, and defraying reasonable expenses of administering the system. A retirement



Serving a global community
of people using businesses
as a force for good.

board's duty to its participants and their beneficiaries shall take precedence over any other duty."

- ii. Reform Idea: **Clarify that the sole beneficiary standard requires the members of the retirement board of a public pension or retirement system to discharge their duties in a manner that protects the broad, diversified financial interests of the ultimate beneficiaries of the funds that they manage and the lived experience of such beneficiaries, and that also considers the application of ethical norms regarding human harm.**

b. California Pension Funds Disclosure reforms:

- i. Current standard: Under Sec. 7510.5 of the California Governance Code, the Public Employees' Retirement Fund and the Teachers' Retirement Fund are required to analyze climate-related financial risk, and publicly report on the climate-related financial risk of their public market portfolios, including alignment of the Funds with a specified climate agreement (the Paris Accord) and California climate policy goals.
- ii. Reform Idea: **We recommend that current California disclosure requirements be expanded to address not just matters material to the Fund's financial performance, but also information relevant to systemic risk and the life experience of beneficiaries, as well as compliance with ethical norms.**

2. Responsible Corporations

a. Long-term proposal

- i. Current standard: Under California's Corporations Code 309(a), directors' fiduciary duties require no specific consideration of the impacts of their decisions on stakeholders.
- ii. Reform Idea: All corporations incorporated in California must adopt the benefit corporation model (or equivalent under relevant entity provisions) and if a non-California corporation has its principal place of business in California:
 - 1. such corporation must, under the laws and documents under which it is formed, be governed by fiduciary duties or other rules that, in either case, require its managers to **account not only for financial**



Serving a global community
of people using businesses
as a force for good.

returns, but also for their impact on all stakeholders, including on the social and natural systems on which healthy markets and all life depends;

2. under the laws and documents under which it is formed, such corporation's shareholders are entitled to bring legal action for injunctive relief to enforce the fiduciary duties described in subsection (a) and the laws applicable to any qualifying corporation do not require that such actions be brought by the holders of more than 5% of a corporation's common equity.
 3. such corporation must make periodic public disclosure sufficient to inform stakeholders whether such fiduciary standard is being met.
- iii. For the purposes of the Section:
1. a "corporation" is any corporation, limited liability company, business trust, limited or general partnership, including any limited liability limited partnership, or any other business entity engaged in interstate commerce and incorporated or formed in the United States.
 2. a "manager" is any person with the discretion to make decisions on behalf of a qualifying corporation, including directors, officers and managers.
 3. a "shareholder" shall mean any holder of an equity security, including, without limitation, common stock, preferred stock, membership interests and partnership interests, whether general or limited and beneficial interests in business trusts.
 4. "common equity" shall mean interests of a shareholder entitled to payment in dissolution after the satisfaction of all liabilities.¹
- b. We also believe several reforms can be adopted in the near-term, to facilitate the transition to the new fiduciary standards described above.
- i. Reduce barriers to benefit corp conversion: We recommend revising the Benefit Corporation statute by:

¹ We have not researched whether this could raise constitutional issues with respect to the corporate of non-California corporations.



Serving a global community
of people using businesses
as a force for good.

1. Deleting Sec. 14603(a), in order to eliminate the requirement that conversions to the benefit corporation structure be accompanied by dissenters' rights.
1. Amend the vote requirement to amend a corporate charter to requiring a simple majority vote.
2. Add a California Benefit LLC incorporation option.
- ii. Heightened Disclosure Requirements:
 1. We recommend that disclosure requirements should be applied to all companies incorporated in California or having a principal place of business there if they meet a certain size threshold. These disclosures would mirror the requirements in the long term goal section.
 2. "Benefit" Board Committees: We recommend the establishment of "benefit" board committees for subject to the heightened disclosure requirements, made up of a majority of independent directors, who will be responsible for the new disclosure. An alternative is to require that large companies name a "benefit director" to carry out substantially the same responsibilities. Some benefit corporation statutes require or allow a specified "benefit director" with special obligations for stakeholder concerns.
3. Public Economic Incentives
 - a. Current standard: California's Governor's Office of Business and Economic Development (GO-Biz) offers a variety of economic development incentives, including procurement preferences and tax credits to encourage job growth and economic development.
 - b. Reform: **In order to be eligible for economic development incentives, a company must satisfy some or all of the requirements discussed above:**
 - i. Adopt the new fiduciary duty standards by re-incorporating as a benefit corporation.
 - ii. Complying with heightened disclosure.
 - iii. Establishing "Benefit" Board Committees.
 - iv. Demonstrating high social and environmental performance as determined by CORP §14630.



Serving a global community
of people using businesses
as a force for good.

- c. **In the near-term, the GO-Biz office could establish new procurement preferences and/ or tax credits for companies that opt in to benefit corporation status, comply with heightened disclosure, establish “Benefit” board committees, and/or demonstrate high social and environmental performance as determined by CORP §14630.**

DRAFT

